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AN INVENTORY OF INNOVATIVE WORK ARRANGEMENTS IN ONTARIO



Ontario
Ministry of
Labour

Research
Branch

Toronto
Ontario

AN INVENTORY
OF INNOVATIVE WORK ARRANGEMENTS
IN ONTARIO

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PREFACE


In June 1977 the Ontario Ministry of Labour established a joint labour-management advisory committee on the Quality of Working Life, as part of its program to stimulate new approaches to industrial relations in Ontario by labour and management and to improve the working environment.

One of the early actions of the Advisory Committee was to ask the Ministry to conduct a study to identify existing innovative approaches to shared decision-making, job design, work scheduling, methods of payments and other participative, work-related initiatives that could have been considered as aspects of the quality of working life. The study has now been completed and the Advisory Committee and those who were kind enough to supply information for the study have authorized its release. The Ministry is therefore pleased to make public the results of its survey.

It is hoped that the material described in the report will be of interest and assistance to the industrial relations community and the growing number of persons seriously concerned with the development of more effective and humanly satisfying work environments.

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1. PURPOSE OF THE REPORT

The study was originally done for the Ministry's joint labour/management Advisory Committee on the Quality of Working Life. The purpose of the report was to provide the Committee with information on the extent and nature of experimentation with innovative work arrangements in Ontario. Although a fair amount is known about such experimentation in the United States and Europe, little is known about what is happening within our own province. The present study was undertaken to gain some indication of the current level of interest in the general area of quality of working life, and to examine what specific forms this interest is taking within our particular industrial relations context.

What kinds of organizations are innovating, what forms of innovation are being attempted, for what reasons, and with what effects? What problems occur in these programs and what factors contribute to their success or failure? These questions applied to Ontario form the core of the report. In order to answer them there is first a need for accurate descriptive information. As a start, it is important to know what specific changes have been attempted, and to be aware of how the parties themselves define their situation and what they perceive the effects of the innovation to be. Any more comprehensive evaluation must begin with this basic information. For these reasons, the Inventory should be of use and interest to both researchers and practitioners.

The emphasis in the report is heavily on description. Because of time constraints it was possible to do a more complete

evaluation of only nine of the innovations. This report, therefore, should be seen as presenting basic information on the essential characteristics of innovative work arrangements in Ontario.

2. IDENTIFICATION OF INNOVATIONS

For the purposes of this study, the research group decided not to begin with a precise definition of a QWL innovation. Instead, we chose to examine a range of innovative work arrangements. We felt that changes in many aspects of work: job content, the distribution of decision-making powers, work scheduling, the form of remuneration, or the form of ownership, might all contribute significantly to the quality of people's working lives.

Over the summer of 1977, approximately 60 consultants, businessmen, unionists, academics, government and media people familiar with workplace experimentation in Ontario were contacted for information. These people; plus a quick review of newspapers, magazines and journals, provided 115 leads on organizations that might be experimenting with some form of innovative work arrangement.

We were not able to contact all 115 organizations. On the basis of feedback from the Advisory Committee we directed our research toward innovations that: i) have occurred in non-crisis situations in financially successful organizations, ii) are based on a broader commitment to change and have a

relatively long history, and iii) involve direct participation at the 'shop-floor' level. A few organizations were also contacted primarily to provide a concrete example of an innovation that was either fairly common (e.g., flexible hours or profit-sharing) or more far-reaching in nature (e.g., self-management).

3. METHOD OF INFORMATION COLLECTION

In the Fall of 1977, information was collected on 54 organizations. Telephone conversations with representatives of the organization were the main source of information, supplemented whenever possible with any written documentation available.

In unionized organizations, both management and labour representatives were contacted. More thorough examinations involving extended personal interviews with both labour and management were completed in nine organizations.

The results from the 54 contacts were: 12 organizations with no program of interest; 13 organizations with programs of only marginal interest, which are not included in the Inventory; and 29 organizations with some form of innovative work arrangement. The original Inventory presented to the Advisory Committee was based on these 29 cases.

An additional round of information gathering and clarification was undergone in the Spring of 1978 in order to prepare the Inventory for publication. Copies of the original case reports were sent to representatives of labour and management who were

asked to verify their accuracy and to grant clearance for general publication. Four companies requested that their cases not be published and another two asked that their programs be published anonymously. There were basically two reasons for wanting to avoid publicity: a desire not to draw attention to programs that had failed, partly failed, or even that might fail in the future; and a concern that public attention would only add further pressure to an already delicate situation.

At this stage, there was also considerable input from several of the management, and a few of the labour people. Thus a number of the final case reports are very much co-operative efforts.

It is important to note that the above method of information collection means that the cases presented here do not represent an "objective", outside evaluation of innovative work arrangements in Ontario. What is presented in the Inventory is a number of innovative work programs as they are seen by the key labour and management people who are directly involved in them. An attempt was made to overcome some of the problems of this method by gathering as much information as possible on specific events and concrete changes in behaviour, as well as on the more subjective evaluations of the innovation. In the cases where outside (descriptive and evaluative) information was available, or where the program was examined more intensively, this is noted at the end of the case report.

4. INVENTORY FORMAT

The case reports in the Inventory have been organized around the questions which originally stimulated the study:

-- In what kinds of organizations are innovations occurring?

Considered here is general information such as location, ownership, product or service, and number of employees. Other features of the organization such as the method of production, labour relations history, and special characteristics of the workforce are included where they seem relevant.

-- What are the reasons for innovating? What problems, theories, ideals, and/or goals lie behind the innovation?

-- What are the forms of innovation? What specific structures, processes, approaches and behaviours are changed? In what concrete ways is the organization different than it was before, or than a more traditional organization?

-- What processes are used to achieve change? Who participates in the design and implementation of the program and what steps are involved in changing from one situation to another?

-- What problems occur, what factors contribute to success or failure, and what effects are achieved? These final three questions constitute the evaluative portion of the Inventory. When reading these sections, it is important to remember that it usually was not possible for the researcher to evaluate

the innovation independently. Therefore, unless more detailed written documentation was available, what is presented here is the assessment of the labour and/or management people who are directly involved in and affected by the innovation. If a problem or effect is not mentioned, it is because the people interviewed did not feel it was important. If certain statements appear to be too general (e.g., productivity is good), it is because the parties could not provide any more detail, yet still felt that the point should be made.

5. LISTING OF ORGANIZATIONS AND INNOVATIONS

The following is a list of the organizations and innovative work arrangements covered in the Inventory.

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THE INVENTORY

AN AUTOMOTIVE PARTS COMPANY

(The company and the local union both asked to remain anonymous. They did not want to open old wounds by drawing special attention to problems of the past.)

INNOVATIVE WORK ARRANGEMENT: Change in the form of remuneration

GENERAL INFORMATION

UNION: United Auto Workers

LOCATION: Southern Ontario

OWNERSHIP: Private sector, Canadian

PRODUCTS: Automotive parts

NUMBER OF EMPLOYEES: About 1,200, almost all male. Most of the workers would have been affected by the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

The company operates on a decentralized, divisional basis. In the past, this plant has had a number of industrial relations problems. The last contract was the first time in nine years that there has not been a strike. Relations between workers and foremen have in the past been quite poor at times. The union, however, says that the situation is now better due to improved attitudes on both sides. The company has problems with absenteeism, but always has people "lining up" for jobs due to the high pay and exceptional holiday arrangements.

REASONS FOR INNOVATING

The company has had considerable success with group bonus plans in several of its other plants.

DESCRIPTION, PROBLEMS AND FACTORS CONTRIBUTING TO FAILURE

Group Bonus Plan

- Management tried to introduce a group bonus plan, but it was voted down by the workers. The workers prefer the current system of primarily individual incentives.
- The union arguments against a group bonus plan are:
 1. Since it is a group plan, people sharing the incentive will start to police each other and the workers think this is not healthy.
 2. Since the bonus would not be calculated until the end of the month, it would take too long before the worker knew how he were doing. With the current individual incentives, workers know every hour what they have earned.

Group work and group incentives generally

- Management would like to introduce more group incentives throughout the plant. The union, however, is generally against group incentives except where a number of people work in a natural work group; i.e., where several employees work on a set of interdependent tasks; for example, where it requires six men to operate one machine.
- The union is not against either work groups or job rotation per se, but it is opposed to group incentives outside natural work groups. It is especially opposed to workers on different shifts sharing an incentive. The union assumes that there will always be some people who will not pull their weight.
- There is a provision in the collective agreement which allows for group methods of pay under certain conditions. Management says that this provision means that workers may petition to have their jobs put into work groups with job rotation and a group incentive. They claim that some workers made such a request, and when management complied, it led to a strike. The union, however, claims that the provision only relates to a group bonus and not to group work. They say the workers never asked for the group bonus and that the issue was resolved prior to the strike.
- Management argues that the workers do not want job rotation and that they do not want more responsibility. They claim that their own research indicates that workers do not want QWL programs; they want to be paid well and then get out and look after their own quality of life.

Time Clocks

- The company has eliminated time clocks, but management feels that this doesn't work because there are too many people who constantly abuse the system.

SOURCE OF INFORMATION

Interviews with union and management representatives

BAYCOAT LIMITED

INNOVATIVE WORK ARRANGEMENT: Labour-management committee, as a form of worker participation and information exchange

GENERAL INFORMATION

UNION: Non-union

LOCATION: Hamilton, Ontario

OWNERSHIP: Private sector, Canadian. Owned jointly by Dofasco and Stelco

PRODUCTS: Paint galvanized steel, cold rolled steel, and tin plate

NUMBER OF EMPLOYEES: 250, mostly male. All employees are affected by the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

Began operations in 1965. The company has a lot of autonomy with respect to running its own operations. It has grown considerably since it first opened. The plant is highly capital intensive, highly automated, and requires a skilled workforce. Workers are generally young and there is very little turnover. There have been several unsuccessful attempts to unionize. At present, worker representation is limited to the Plant Committee. Labour relations are handled through an open door policy and wages are set by management to match those of Dofasco and Stelco.

REASONS FOR INNOVATING

- Rapid growth of the company led to a fear that management might lose touch with the workers; i.e., that communications problems might develop.
- To give employees a means of articulating problems, suggestions or ideas.

DESCRIPTION OF INNOVATION

Began in 1971-1972. Consists of a "Plant Committee" made up of six elected representatives of hourly employees. The two with the most votes are elected to two-year terms while the others are elected to one-year terms. They choose a chairman, vice-chairman and secretary. The Committee meets monthly with the General Manager, Works Manager, Personnel Manager and any manager involved with a pertinent issue on the agenda. The agenda for the meetings is put together by the workers. Discussions cover all issues except wages and benefits. They include general plant-wide issues, conditions of work, and grievances which have not been settled at the supervisory level. Decisions are made by management after discussion with the workers. The secretary chosen by the workers keeps minutes of meetings and posts them on a bulletin board. With more important issues, a letter is sent to all employees and for really important issues, management will sometimes call a plant-wide meeting away from the plant, outside of work hours and take a vote on the issue.

DESIGN AND IMPLEMENTATION PROCESS

Management decided that a new means of communication was needed. They developed the "Plant Committee" idea and sent a letter to all employees suggesting it. The feedback from this letter was positive so management called the first elections and the program began.

PROBLEMS - PAST AND PRESENT

Management says there are no problems.

EFFECTS OF INNOVATION

- Communications has improved.
- Workers have been given an outlet for problems.
- The individuals on the Committee have learned a lot about the organization.

SOURCE OF INFORMATION

Interview with the Personnel Services Manager

CANADIAN GENERAL ELECTRIC

INNOVATIVE WORK ARRANGEMENT: Semi-autonomous work groups

GENERAL INFORMATION

UNION: United Electrical, Radio and Machine Workers (UE)

LOCATION: Peterborough, Ontario

OWNERSHIP: Private sector, American. Head Office: U.S.

PRODUCTS: Motors, generators

NUMBER OF EMPLOYEES: Over the past several years there have been as many as 5,000 and as few as 4,000. Nine persons were affected by the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

There have been a series of layoffs, hirings and then layoffs during the past few years at the Peterborough plant. It is the largest employer in the community so has an important effect on the local economy. The major union is the U.E. although there are two others (IUE and IFPTE) at the plant. Both in the U.S. and Canada management began looking at new concepts of work and the idea of work teams about 1970. The U.S. company identified a number of areas where work teams could be introduced in the early 70's. Canadian developments paralleled U.S. work.

REASONS FOR INNOVATING

The aim was to apply the work team concept in order to reduce rejects and improve productivity.

DESCRIPTION OF INNOVATION

- The most important change involved the team members deciding on their own production scheduling. Before the innovation, management had issued daily directions. Under the change, the team was told once a week what production was expected. This allowed team members to perform tasks in the order they wanted, allocate work internally, do some job rotation and decide on their own vacations and over-time.
- The workers were also given the freedom to cut across functional lines if a problem arose. Instead of going through their supervisors, team members could call engineers or material suppliers directly. Management ran interference for the team on this, telling other groups to expect direct calls.
- Team members were also able to make suggestions on quality control and work station layout that were accepted and implemented. Many of the suggestions came out during regular meetings with management and weekly meetings with a division quality control group.
- Although the program was in full operation for just over a year, there were important increases in productivity and decreases in the number of rejects, even surpassing goals set by management. Productivity increased by 31% and the number of rejects dropped from 6% to 3.8%.

DESIGN AND IMPLEMENTATION PROCESS

- Influenced by the theories of such individuals as Maslow, McGregor and Herzberg, General Electric began to look for ways of applying their ideas and concepts. The Canadian Vice-President of Human Resources and the Peterborough Plant Manager felt the time was right to familiarize first-line supervisors with this thinking. A training course was organized with the help of the Toronto consulting firm Hickling-Johnson. A total of 150 employees, over two years, completed the program in Peterborough.
- One part of the course consisted of an exercise in which groups taking the course were asked to identify areas where work teams could be established and then plan the introduction of the team idea. One of these plans was put into practice in the single station motor assembly area. The manufacturing manager, general foreman and foreman for the area had taken the course. These three, assisted by the Employee Relations Division, set out aims for productivity and employee participation.
- The concept was first discussed by management with the nine affected employees in April 1972. The union (UE) was not involved in any organization or planning. It did not object to or interfere with the project. In other sections of the plant, unions had objected to changes and the plans were dropped.

-The nine persons at the single station motor assembly area were first cool to the idea, considering that it was a management ploy to get more work from them. Acceptance grew as they could see management was responding to their suggestions. As the concept developed, management kept urging further employee participation through continual suggestions on where employees could contribute more to the process.

PROBLEMS

- Statistics on productivity and rejects proved to both management and employees that the work team idea was working and there was also improved job satisfaction. However, a number of external factors intervened.
- An economic downturn forced the company to make substantial layoffs and to introduce cost-cutting measures. There was no company policy to maintain the group and no agreement with the union to keep the unit intact. This meant there was some bumping within the group, turnover and transfer of some team members, and the withdrawal of support functions from the foreman preventing him from training new persons on the team and nurturing the project. There was also turnover at management levels where support had been given to the team idea. So gradually the makeup of the team began to change.
- When things improved and new hirings began, so much time was taken up with training new persons just to do the job that no time was taken to explain the team concept. There was no company-wide policy of training persons up to the level of those who had left or had been transferred.

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

* PARTICIPANTS' VIEWS

- High commitment of management and supervisors at the start
- Obvious improvements in productivity
- Economic considerations intervened
- No company policy to preserve the integrity of the team
- No agreement with the union on keeping the team intact
- No union participation
- No training or continual development

EFFECTS OF INNOVATION

Only three of the original nine team members remain in the single station motor assembly area but they still maintain some of the practices learned during the project, such as contacting engineers directly. The early training of the 150 staff members has left some mark on the human resources policy of the plant especially in the area of communications. There are some co-operative labour-management efforts now underway in safety and in the treatment of alcoholism and drug abuse, plus plans for more management training.

SOURCE OF INFORMATION

Interview with the Employee Relations Manager

Internal plant documents pertaining to the training courses and to the work team program

Dag Furst, The Effects of Regulation on Work Structure and Attitudes: A Study of Four Work Groups at Canadian General Electric, unpublished Master's thesis, Department of Industrial Engineering, University of Toronto, October, 1975.

A CEREAL COMPANY

(Both the company and the union requested that they remain anonymous. They were concerned that premature publicity might interfere with the development of the program.)

INNOVATIVE WORK ARRANGEMENT: Semi-autonomous work groups

GENERAL INFORMATION

UNION: An international union

LOCATION: Southern Ontario

OWNERSHIP: Private Sector, American. Head Office: U.S.A.

PRODUCTS: Dry Cereal

NUMBER OF EMPLOYEES: 700 total. Thirty-eight were involved in the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

- Began operations in 1906. The plant is capital intensive and highly automated. Production is a continuous-process operation. The organization is fairly decentralized; the plant was given a free rein once the overall goals of the project had been approved. The workforce is fairly highly skilled and there are many employees who have been with the company for over 25 years.
- The plant has been unionized since 1949 and relations between the union and the company have always been good. There have been three small walkouts, but never a strike. Union and management hold monthly meetings to discuss grievances with the result that there has not been an arbitration in the past seven years.
- The company attempted to redesign jobs in two separate parts of their operation. The first attempt in the corn mill was so successful that they later tried to implement a similar change in the processing operation. This change was not successful and in October 1977 the management and union agreed to discontinue the program in the processing operation.

REASONS FOR INNOVATING

Corn mill

- To apply the theory of job redesign in hopes of achieving the most effective work system.
- To enable all employees to feel they are contributing.

Processing

- To spread the benefits realized in the corn mill.
- To reduce absenteeism.

DESCRIPTION OF INNOVATION

- The program began in the corn mill in 1971-1972 and in processing in 1976.
- There was one six-man work group on each of three shifts in both the corn mill and processing plants for a total of 18 in each operation. Since October 1977, only the three teams in the corn mill remain. There is only one co-ordinator for the operation and when he is not present the work team supervises itself. Workers can rotate jobs within their groups and are paid according to the classification of work they are doing at the moment. Workers in jobs requiring more skill do not rotate as much. Workers train each other on the job and they are allowed to schedule activities such as clean-up as they like. Work groups make their own adjustments to work variations, unless they involve changes to technical processes, then the workers must make suggestions to management who makes the final decision. The teams have monthly meetings with the Product Manager, and sometimes the co-ordinator, to discuss problems. The corn mill operation has stopped having these meetings as the workers feel they can handle problems themselves on a day-to-day basis.

DESIGN AND IMPLEMENTATION

- The program was first developed by management. They hired an American consultant, Scott Myers, to have one-day training sessions with the supervisors, workers and union executive to explain Herzberg's principles of job enrichment. The program was first introduced in the corn mill where the workers were fairly isolated from the rest of the work force. For the processing operation, management chose a group of workers located in a new building.

- The union co-operated with the introduction of the program from the start, but were not actively involved in designing the program. They were consulted prior to any action being taken, especially in the corn mill, but were less involved with the introduction of changes in the processing operation.

PROBLEMS - PAST AND PRESENT

- There was internal conflict between the old and new processing plants where there were two groups of workers producing the same product and having the same job classifications. The differences in the work methods led to two problems:
 - The workers in the new plant felt they had more responsibility and therefore deserved higher pay. However, since unit cost was higher in the new plant, management was not willing to increase wages.
 - The workers in the old plant were concerned that in case of a lay off, they might lose their seniority rights because they would be unable to perform the more complex jobs in the new processing plant and thus would not be allowed to exercise their bumping rights.
- Some supervisors see only the negative side of the program. They feel their status is being threatened and some have actually tried to make the program fail.
- In the corn mill operation some workers feel they deserve more pay, but overall most prefer the new work arrangement.

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

* PARTICIPANTS' VIEWS

- The program worked in the corn mill because the operation was isolated and there were no comparable operations within the plant. It did not work in the processing plant because there were two different ways of doing the same job which led to inter-departmental comparisons and conflict.
- The parties feel that if there is a change, the whole department should change, not just one segregated part. This would eliminate the problem of conflicts based on obvious comparisons of such things as pay, responsibilities and job classifications.

EFFECTS OF INNOVATION

- Labour-management relations in the corn mill have improved. There have been no grievances in the last four years.
- Increased employee satisfaction in the corn mill, especially with respect to the elimination of time clocks and the reduction in the number of foremen.
- Excellent safety record in the corn mill.
- The corn mill operation is efficient, productive and profitable.
- In general, older more senior employees have tended to back out of the program and younger ones have tended to stay with it.

SOURCE OF INFORMATION

Interviews with union and management representatives

DOMTAR

INNOVATIVE WORK ARRANGEMENT: Job rotation

GENERAL INFORMATION

UNION: Non-union

LOCATION: Toronto, Ontario

OWNERSHIP: Private sector, Canadian. Head Office: Montreal, Quebec

PRODUCTS: Corrugated containers

NUMBER OF EMPLOYEES: 100, all males. All production workers are affected by the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

Began operations in 1973. Labour-management relations have always been good. All workers are salaried and receive the full benefits of regular salaried positions. A system of merit pay is used. Management sets the salaries at 5-10 per cent above those paid by its competitors in southern Ontario. There are no punch clocks. Most of the production workers are low to semi-skilled and there are a significant number of non-English speaking workers.

REASONS FOR INNOVATING

Belief that job rotation would reduce fatigue and result in higher productivity.

DESCRIPTION OF INNOVATION

Began in 1973. Production workers rotate between jobs/machines 2-3 times daily. The workers control their own rotations. The better workers and good foremen do the training, but not in any systematic manner. The amount of rotation varies with market conditions. For example, when there is a need for more overtime, the amount of rotation increases.

DESIGN AND IMPLEMENTATION PROCESS

Head Office decided to operate the plant as an experiment with no union and with an open door labour relations policy. Job rotation is not run as a definite program, it is more a matter of allowing it to happen. Management merely creates the atmosphere where it is possible for job rotation to occur.

PROBLEMS - PAST AND PRESENT

- Many non-English speaking people are unable to progress to higher level positions because communication difficulties make training through job rotation difficult.
- When turnover is high, it is hard to train people in an organized way.
- Some workers do not like to rotate.

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

* PARTICIPANTS' VIEWS

- Personalities of key managers were important. Similar attempts in another plant were not as successful.
- Job rotation leads to a more skilled workforce. It provides more flexibility.

EFFECTS OF INNOVATION

- Increased productivity; the plant has higher productivity than similar plants in Ontario.
- Higher net profit.
- Workforce is more flexible and more skilled.
- Workers are less fatigued.
- Foremen must do more training.

SOURCE OF INFORMATION

Interview with the Plant Manager

EATON YALE LIMITED

INNOVATIVE WORK ARRANGEMENT: Union and worker participation
in management

GENERAL INFORMATION

UNION: United Auto Workers, local 127

LOCATION: Chatham, Ontario

OWNERSHIP: Private sector, American. Head Office: Cleveland, Ohio

PRODUCTS: Large car and heavy truck springs

NUMBER OF EMPLOYEES: 720; 620 hourly and 100 salaried. Everyone
is affected by the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

- Began operations in June, 1966. Until recently, business has grown continually since the plant opened. However, the company operates within a fairly unpredictable market and in November, 1977 they laid off 80 workers. The operation is very materials-intensive.
- A mass production, assembly line process is used in the plant. Most of the work is low-skilled and routine; yet very heavy, dirty, noisy and hot.
- The workforce is almost completely male. Most of the workers are in their late 20's or early 30's and come from farming communities. Although turnover has always been high, productivity has always been good.
- Many of the managers, including the Plant Manager, are fairly young and new to their positions.
- The plant has been unionized since its opening and labour-management relations have traditionally been very bad. In the first nine years of operation, there were several violent strikes and many suspensions and firings which ended in wildcats.

REASONS FOR INNOVATING

- Realization that the traditional way wasn't working. There had been a violent wildcat in 1974 and the situation at the plant was very bad." Both labour and management were reluctant, but were willing to try something new.
- The implementation of a program, based on a "new philosophy", at several of Eaton's new, non-union plants had produced substantial improvements in productivity, absenteeism, turnover, and employee satisfaction. Eaton then developed a new philosophy program, called the Action Plan, for use in its older, unionized operations. By trying some elements of the Action Plan at Chatham, the company hoped to achieve at least a modified version of the success it had enjoyed with the new program at its non-union plants.
- Both parties wanted to improve communications.

DESCRIPTION OF INNOVATION

The Eaton Corporation Action Plan is based on their "new philosophy" of labour-management relations which stresses union and worker participation in matters that affect them. The actual program at Chatham includes:

The Manager's Roundtable

- Has been in operation since 1975. Every month, nine workers are invited to meet for a 1½ - 2 hour open discussion with the Plant Manager. The Employee Relations Manager, a general foreman, and a department foreman also attend the meetings, which are held on company time. Different workers are invited each month, except for two people from the previous session who are asked to return to provide some continuity. Salaried and hourly people used to attend the same meetings, but they were separated because the office workers were taking too much of a back-seat. By mutual agreement between the union and management, the union is not officially involved in the meetings; members of the union committee attend only if they are invited as regular employees.
- There is no agenda for the meetings. The workers may bring up any issue they wish. Management will discuss anything but bottom-line profit, issues of an individual, personal nature, and current grievances. The issues most commonly discussed are safety, production problems (work methods, maintenance of equipment, etc.), future plans of the company, and hygienes (washroom facilities, broken light bulbs, etc.).

- The primary purpose of the meetings is to improve communications. Much of the discussion occurs in a question and answer format with the workers asking the questions and the Plant Manager providing the answers. The meetings are not designed to be problem-solving sessions, most of the issues raised at the meetings are then taken back to the relevant department for resolution. If an issue relates to a foreman or manager, it is brought to his attention and he is expected to deal with it. Copies of the minutes, which include a management reply for each issue raised, are sent to each worker who attended the meeting and one copy is posted.

The counselling approach to discipline

- Has also been in effect since 1975. The union and management agreed to co-operate in an attempt to resolve offenses through counselling as opposed to a traditional system of warnings and suspensions.
- There are 36 foremen and 15 stewards involved in counselling. The company provides special training for both the foremen and stewards. The idea is to have someone on the shopfloor whom the worker can trust and go to for help. Much of the counselling occurs informally on the shop-floor. More formal counselling sessions usually include a person from Employee Relations, a shop steward, and a foreman. The counselling system is subject to the regular grievance procedure. The plant also has active connections with community counselling services.

Departmental meetings

- Have been held since 1976, but are not yet fully in operation in manufacturing. All supervisors and foremen meet regularly with employees to discuss department-level issues.
- In manufacturing, these meetings are primarily safety meetings. the workers may raise general issues after the safety items have been dealt with, but most of the discussion is usually on safety. If a worker has a problem or suggestion, he usually takes it to his foreman or manager personally or has someone in his department raise it at a Manager's Roundtable.

The participatory management approach

A number of changes have been made to create a more open and egalitarian environment in the plant. Union and worker input has been sought in several situations.

- Separate lunch rooms were abolished and the parking lot was opened up.
- When the Corporate Board of Directors recently visited the plant, it was members of the union committee who escorted the Chairman of the Board and the President through the plant.
- Management met with the union to discuss what to do about the summer heat, and the stewards polled the workers on which shifts they would prefer.
- The Employee Relations Department gave the schedule for the lay off period to the union committee to go over before it was finalized, and there were daily union-management meetings to discuss the lay offs. It is a company policy to handle all lay offs in this way.
- When there is a need for engineering changes, the company encourages the Engineering Department to solicit the employees' views and get suggestions from them before it makes any changes which will affect them. Formal worker-management committees are established for major changes.

DESIGN AND IMPLEMENTATION PROCESS

- The "new philosophy" program initially was developed in the late 1960's; primarily by Don Scobel, Corporate Manager, Employee Relations Development, for implementation in Eaton's new, non-union plants. A group of employee relations people from operating divisions then worked with Head Office to design a program, called the Action Plan, for applying new philosophy concepts within the company's unionized plants.
- In late 1974, early 1975, the past Plant Manager at Chatham, who had come from one of the "new philosophy" plants, decided to try parts of the Action Plan at Chatham.
- The Manager's Roundtable and an employee safety committee were started. Union and management began discussions on a new approach to discipline. They agreed to try counselling for one year, but only for absenteeism and lateness.
- At the end of the Agreement in April, 1976, they agreed to continue with counselling and to extend it to all discipline problems. They included their mutual commitment to the counselling approach in the new Agreement.
- Head Office, local management and the union co-operated to write a program to teach counselling. In June and July, 1977, union and management ran a joint course on counselling for all foremen and stewards. Office supervisory personnel were given similar training in December, 1977.

- Both parties wanted to implement the changes slowly and to retain a low profile. Management is particularly concerned with avoiding fanfare since a similar program in a Cleveland plant had failed partly because it had not lived up to its own expectations.

PROBLEMS - PAST AND PRESENT

- There are people, in both union and management, who still do not fully trust each other. Some unionists and managers co-operate with and respect each other, but there is still a strong adversarial environment and some hostile feelings on both sides.
- Many in the union did not like the counselling idea at first; they thought management was trying to cut in on union rights and break the union. However, the union Chairman at Eaton Yale supported the idea and convinced the union to try it. Several of the union committee, including the Chairman, retired and there is more mutual reservation between management and the new committee.
- Some of the new foremen and stewards have not been trained in counselling and do not know what to do. Many employees do not know that the traditional discipline procedure has been replaced with counselling. Also, since there are no set guidelines for counselling, it is handled differently by different foremen. Therefore, some employees are confused about where they stand. Some prefer the old system where there were at least set rules with certain guarantees and, thus, some predictability.
- Some managers feel there are employees who abuse the counselling and take advantage of their stewards and foremen.
- Many of the more traditional managers do not like the "new philosophy" and do not fully co-operate with the program. For example, in the past the Engineering Department did not involve people in decision-making as much as it was supposed to and this caused discontent among both the workers and the foremen. Senior management has taken steps to improve this situation.
- It is mainly up to the foremen to involve people in shop-floor decisions and some do not do this. It has also been very difficult for some foremen to change their approach to discipline.
- The workers do not always know if management has followed up on all the issues they have raised at the Roundtable meetings. (Author's comment: this may be due partly to the fact that continuity is difficult, since no workers regularly attend all the meetings.)

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

* PARTICIPANTS' VIEWS

- Time, it takes a long time to change old ways and to build new responses and attitudes.
- The environment is very open, people express their views freely.
- The youth in management, there are only two managers over 50. Among management, it is the younger managers who are enthusiastic and are making the program work at all.
- There must be co-operation throughout management - at all levels and in all departments.
- Although senior level commitment is essential, it is the immediate relations between foremen, stewards and the workers which make the program work. Managers must, therefore, keep the foremen well-informed.
- The foremen must follow up quickly on their commitments to the workers, or explain why not.
- The past union Chairman agreed that a new approach was needed and was quick to trust that management was sincere.

EFFECTS OF INNOVATION

- Although considerable distrust still exists, union-management relations are more co-operative, trusting and open. The union finds it easier to deal with management and there is more mutual respect. Much of the extreme animosity of the past has disappeared.
- Negotiations are easier. At the end of the last contract there was a four-week strike, but it related to the A.I.B. and was settled quickly. It was a "gentlemen's strike".
- The number of grievances has been reduced from over 200 a year in 1973 and 1974 to under 50 in 1976. Grievances are also settled much faster since both parties are more willing to give and take.
- The union feels the Roundtable discussions are beneficial. They give the workers a chance to express their concerns and to let off steam. They feel that management is at least listening to them.
- The shop-floor atmosphere is less harsh now, counselling has generally improved the relations between the foremen and workers.
- The content of the Collective Agreement has been modified somewhat to reflect the new approach.

- The transition from an authoritarian, adversarial environment to more participatory, co-operative one has created considerable discomfort. Many people are no longer sure of their roles and there is a general feeling of uncertainty. Divisions between proponents of the old and new ways have developed within both management and the union. Neither management nor the union is certain that the new approach will be successful, but they are determined to give it a fair try.
- Although there are still many problems, most of the people feel the present situation is better than that prior to 1975.

SOURCE OF INFORMATION

Donald N. Scobel, "Doing away with the factory blues", Havard Business Review, November-December, 1975, p. 132-142.

A two-day visit to the Chatham plant, which included personal interviews with several union and management representatives plus attendance at a number of union-management meetings.

ESSO CHEMICAL CANADA
(A DIVISION OF IMPERIAL OIL LIMITED)

INNOVATIVE WORK ARRANGEMENT: Labour-management committee, as a form of worker participation and information exchange

GENERAL INFORMATION

UNION: Non-union

LOCATION: Sarnia, Ontario

OWNERSHIP: Private sector, American. Head Office: New York, N.Y.

PRODUCTS: Chemicals

NUMBER OF EMPLOYEES: 650 total. The 240 Administrative, Professional and Technical (A.P.T.) employees are most affected by the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

- Esso Chemical Canada has considerable autonomy in running its own affairs.
- In 1970 the chemical and refinery sections of the organization split, with separate managements for each.
- Almost all of Imperial Oil's 12,000 Canadian employees are non-unionized. There are joint labour-management councils in all Imperial's non-unionized operations. The first joint council was established in 1918.
- The company has done several company-wide opinion surveys, the last being in 1977. These surveys helped to identify local and company-wide issues with respect to pay, supervision, centralization of management, etc..

REASONS FOR INNOVATING

- To provide improved career development for the Administrative, Professional and Technical staff.
- To improve the jobs of supervisors and to move to a more participative management style.
- To improve communications.

DESCRIPTION OF INNOVATION

Labour-management committee

Consists of a joint labour-management council, with seven elected hourly workers and seven management members. The council meets monthly and deals with wages, working conditions, benefits, safety, etc.. Management considers it a way to obtain the collective opinions of workers. The plant also has "safe operating" committees which do periodic plant inspections.

Job Enrichment

A number of changes have been made, but most affect only supervisors and above (i.e., the 240 Administrative, Professional and Technical employees).

- Surveys of engineers and supervisors indicated there were several problems. Supervisors began to be included more in planning and operations meetings, and training and development programs were begun for them. Management began to design programs for individual problems rather than merely taking programs off the shelf as had been done earlier (e.g., Blake grid had been tried) with little success.
- Supervisors helped design a new performance appraisal system for wage earners. The purpose of the system is to develop individuals. It is forward looking rather than a backward look. Nothing goes in the report that the employee does not know.
- When the company wanted to design a new maintenance work control and scheduling program, a group of first-line supervisors recommended the consultant for the project. This group set out the criteria for interviewing the consultants, met with consultants and then chose the consultant which best met these criteria.
- The company has attempted to support first-line supervisors in a variety of ways. For example, a supervisor rather than an engineer was sent to an international conference in Greece.
- An "Individual Development Program" was introduced which allowed and encouraged input from the individual A.P.T. person on his or her career development.

- Management has met with supervisors to look at their jobs and to define more clearly the role of a supervisor.
- Meetings are being held with the clerical staff to find out their needs and to see what changes can be made within the organization to meet these needs.

DESIGN AND IMPLEMENTATION PROCESS

Innovation began in 1971. The work has always been done by Employee Relations staff and the line managers at the plant with some input from the Toronto office.

PROBLEMS - PAST AND PRESENT

With respect to hourly workers, "job flexibility" was tried but failed. This was an attempt to add aspects to a job rather than job rotation. Management is currently looking at a new proposal on this.

EFFECTS OF INNOVATION

- Supervisors feel more trusted by management and feel more a part of the organization.
- Management is more trusted by the employees.

SOURCE OF INFORMATION

- Interview with the Employee Relations Field Services Manager- Ontario.

GENERAL FOODS

INNOVATIVE WORK ARRANGEMENT: Job enrichment

GENERAL INFORMATION

UNION: Canadian Food and Allied Workers, Local P1230

LOCATION: Cobourg, Ontario

OWNERSHIP: Private sector, American. Head Office: White Plains, New York

PRODUCTS: Pet foods and dry beverages, cereals and desserts

NUMBER OF EMPLOYEES: 800; 150 salaried and 650 hourly. One hundred employees are affected by the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

- Began operations in 1958. Pet foods is one of four physically distinct, semi-autonomous manufacturing areas in the plant. It is a continuous-process operation and the new pet food facility is very capital intensive.
- The Canadian Food and Allied Workers won the plant from District 50 of the Mine Workers in 1966. Union-management relations have always been good.
- General Foods is the largest and highest paying employer in the area. It has a fairly stable workforce; over 50 percent of the workers have over 10 year's service and there is almost no one with less than 2-3 year's service. The pet food area tends to have more of the long-term, older workers.
- The pet food area is isolated from the rest of the plant. There has traditionally been less bidding out of and, thus, into the pet food area than there is in the other areas.

REASONS FOR INNOVATING

- Key managers at Cobourg were interested in the General Food's, Topeka experiment and in the socio-technical systems and job enrichment theories which lay behind the experiment.
- Management's goal was to achieve increased productivity and better quality and sanitation through better utilization of the human and physical resources in the department. They hoped that the workers would identify more with their jobs.
- The program developed in two stages. Changes were tried in the older, dry pet food operation and were successful enough that management decided to apply the same principles in the intermediate moist (I.M.) pet food facility which opened in 1974.

DESCRIPTION OF INNOVATION

Dry pet food

- Involves 34 workers (6 women) on three shifts.
- Changes were begun in 1972. At that time, job classifications were very strict and each classification involved a very limited number and kind of tasks. The job classifications were changed so that a number of related tasks were combined and one person was given this more whole job. Some quality control and janitorial duties were added to most classifications, and the amount of job rotation was increased within and between certain classifications. The women's jobs and the most senior jobs were left unchanged, for reasons to be discussed later. When the classifications were changed, the contract was changed to upgrade the jobs and to increase the pay rates.
- When the I.M. facility was opened, the foremen were removed from the two off-shifts in the dry facility. On these shifts, the foremen then left directions on a blackboard, but with options and the workers had to handle any problems which arose. In 1978, an additional foreman was reassigned to the dry facility to increase personal communication between the workers and supervision and to provide feedback.

Intermediate moist pet food

- Opened in Fall, 1974 and involves 66 people.
- Management felt it was too risky to try to bring the new operation on-stream without the full number of foremen.

- There are three functional areas: processing, packaging and warehousing. Within each of processing and packaging, there are three separate job classifications. There is only a very limited amount of job rotation between classifications and then only in the packaging area. Within each classification the jobs have been designed to be as complete as possible. They include a variety of related tasks which involve preparatory, transforming, quality control and housekeeping functions. Once again, the most senior classification was left unchanged.
- The principles behind the program have been applied most fully in the warehousing area. There is only one job classification in warehousing; all the workers do all the tasks in the area. The workers also handle much of the paperwork, such as the signing of bills of lading and shipping receipts, which used to be the foreman's responsibility. The position of warehouse group leader has been written out of the contract. The foreman focusses more on weekly planning; he tells the workers in a general way what is expected of them and they handle their day-to-day routine themselves, in their own way.
- During the first year of operations there were weekly meetings between management and the workers to discuss production objectives, reject levels, safety and ways for improving the operation. After the plant was on-stream, the meetings became quarterly and by 1977-78 they were being held only on a "need be" basis. As of June, 1978, management was planning to reinstitute quarterly meetings to review departmental performance and objectives.

DESIGN AND IMPLEMENTATION PROCESS

- The innovations, in both the old and new facilities, were initiated by management.
- In the dry pet food area, management explained the general idea to the union and then put their specific ideas to the union and to the workers. Although the union and the workers were generally against the program, management felt there was enough support to give it a try. They slowly implemented what changes they were able to within the collective agreement, and the workers eventually came to accept (some even to prefer) the new arrangement.
- With the new I.M. plant, a management task group developed the basic concept which they wanted for the plant and then met regularly with the union executive to decide the exact nature of the program.
- Management's initial proposal was to have teams in each of the three functional areas with all the workers in each team doing all the tasks in the area with full job rotation. There would be only one job classification and one pay rate in each area.

- Both management and the union met with the people in pet foods and the people voted on the management proposal. The result was 100 percent against the proposal.
- Management decided to try and work with the union to implement a modified form of their proposal. Before the program was begun the union and management reached a verbal agreement that one year after the plant was on-stream, management would re-evaluate the jobs with respect to work load and pay. They discussed the possibility of a written Memorandum of Agreement for the whole program and agreed they did not need one.
- The program was optional to the extent that the individuals in the I.M. operation in the old plant were given first opportunity to bid on equivalent jobs in the new plant. If they did not want to move to the new plant, they went into the general labour pool and could, thus, move into more traditional areas of the plant when openings became available. As it was, all the workers from the old I.M. operation chose to move to the new plant.
- There were special training programs, on company time, for all the managers, supervisors, and hourly people in the new facility. The programs included training in specific skills, communications, problem solving and decision making, and inter-personal behaviour.

PROBLEMS - PAST AND PRESENT

- The workers' objections to the changes in both the old and new facilities, as expressed directly and through the union, included:
 - It is unfair for senior people to have to do the menial tasks and for junior people to have the chance to do the better jobs.
 - Maintenance should not be done by anyone but maintenance people. The maintenance crew were afraid for their jobs and the union did not want mechanical aptitude to become one of the criteria for an operator's job.
 - Some people working in, or wanting to work in a functional area might not be capable of doing all the tasks in the area. This objection related particularly to the women. Certain very heavy tasks in pet foods had been specially classified so that women had the right to refuse doing them. The workers were concerned that various physical or mental limitations could make it difficult or impossible for some people to do all the tasks in an area. This would mean that: fewer people would be able to bid into the area, some people would not be able to do the job properly thus leading to poor quality work and to health and safety hazards, and the difficulty of the job could interfere with seniority rights during a lay off.

- Some people would not enjoy doing all the tasks in an area. Many people have preferences for particular tasks and would like to stick to those tasks.
 - The new organization of work would probably reduce the amount of overtime, especially in job classifications where overtime was exceptionally high.
 - The new job descriptions would be so general that management could add anything at any time without re-evaluation.
 - The workers did not like the possibility that, as members of a team, they might have to discipline each other.
-
- There was a grievance over a job classification which management re-evaluated downwards after the first year. The grievance stood for one and one-half years, but the union accepted the Company's evaluation during the last negotiations.
 - Some managers feel they need more time for communications with the workers. Management also feels they need to find a way of communicating productivity information which the workers will understand, but which will not reveal information management considers to be confidential.
 - Some workers do not like doing janitorial duties which they consider to be boring and demeaning.

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

*PARTICIPANTS' VIEWS

- The relatively small number of workers, the stability of the workforce, and the maturity of the workers made the situation suitable for innovation.
- Special kinds of managers and supervisors are needed; i.e., ones who are not status-oriented, but are job-oriented and are willing to break down some of the status differentials between managers, supervisors and workers.
- Communications is essential. The program will not keep going on its own, especially when it is only in a section of a much larger operation. It requires continual communications for its maintenance.
- If all the emphasis is put on productivity, the program will not work because the employees will not identify with it.
- Options are needed for the people who do not want more variety and responsibility. They should have the chance to remain in a more traditional situation.

EFFECTS OF INNOVATION

- The number of workers needed in the dry pet food facility was reduced. The reduction was done by attrition.
- Productivity has increased.
- Sanitation improved greatly in the dry facility, the warehouse is much cleaner.
- The top manager's role has changed. He must orient himself more to people and requires more time for contact with them.
- Most workers prefer the new jobs. They like the variety and feel more pride in their work. Where there is job rotation, they like being able to help each other.
- The warehouse foremen are glad to be rid of some of the paper-work, but they may have become somewhat out of touch with what is happening in the warehouse.

SOURCE OF INFORMATION

- Interviews with several management representatives, the local union president and several workers in the I.M. facility.
- Company records of the development process for the I.M. facility including minutes of the management task group meetings and of the union-management meetings.
- A tour of both the pet food facilities.

THE GROUP AT COX

INNOVATIVE WORK ARRANGEMENT: Semi-autonomous work groups
Self-mangement
Flexible hours
Profit-sharing

GENERAL INFORMATION:

UNION: Non-union

LOCATION: Stoney Creek, Ontario

OWNERSHIP: Private sector, Canadian. Head Office: Stoney Creek,
Ontario

PRODUCT: Dental operatory systems

NUMBER OF EMPLOYEES: 43. Everyone is involved in the innovations.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

- The company was begun around 1966 by a Hamilton dentist (Don Coburn) and a machinist (Ron Cox). Shortly thereafter, Wilson Southam bought a one-third interest in the company, and in 1967 he began working full-time as the General Manager.
- The company is in a very high-risk industry and competes against mainly large American organizations. Cox has a good reputation in the industry and its sales have been growing steadily since 1967. It is part of the Cox philosophy to put great emphasis on education and preventative dentistry. Due to heavy expenditures in research and development and in long-range organizational planning, profits have been small.
- Including benefits, the total pay at Cox is somewhat lower than what many employees could earn elsewhere. The workforce ranges from unskilled to professional and includes many recent immigrants from Europe.
- The company's trade name was recently changed from Cox Systems to the Group at Cox. References to the Group refer to the company as a whole.

REASONS FOR INNOVATING

- The program was begun as an expression of Wilson Southam's personal values.
- The goals of the program are defined broadly in order to reflect the needs of each of the groups that is involved in or affected by the organization (i.e., the employees, shareholders, suppliers, customers, and society at large). See Appendix I for the Group statement of goals.
- The continuing process of innovation is being carried out under goals that are reviewed annually by the entire Group.

DESCRIPTION OF INNOVATION

The innovations at Cox consist of a comprehensive system of participation incorporating many forms of innovative work arrangements.

Job content/organization of work

There are two subgroups at Cox, the products group and the communications group. The company is organized in a matrix form with communities and teams forming the basic dimensions of the matrix. See Appendix II for the full organizational matrix.

Communities

- Groups of 4-12 people with the same professional, craft or skill background.
- They set the quality standards and to a large degree determine what their functional group is going to do.
- Community co-ordinators are appointed by the General Manager, after consultation.
- Communities initiate requests for resources and decide when there is a need to hire.

Teams

- Groups of 5-6 people from different communities who work together.
- There are four product teams and four communications teams.
- Teams set performance criteria with respect to both production and sales.
- Team co-ordinators are appointed by the General Manager.

- Community and team co-ordinators act to integrate the groups' activities. They must persuade as they have no authority to command.
- The affected community and team both participate in the hiring of new employees.
- Employees at Cox do not have highly clarified roles. In the front office there has been a conscious attempt to enrich the jobs; on the shop floor people work at work stations where they perform a number of different tasks.
- The company has not automated as much as it could have. This was done partially in an attempt to retain the artisan nature of the jobs.
- Workers control their own work pace, do their own quality control, and have complete control over their physical setting with respect to cleaning, decorating, etc.
- Workers frequently move between teams (float) in response to production needs. They prefer to move to teams which perform different tasks, for variety. Team members decide who will move and when.
- There is a high degree of cross-over of people into many different communities and teams.
- To remove the power of the "expert", all employees are well-informed about the work of others. All company information is displayed in a central area known as the "owning centre".

Decision-making

- Meetings are a fundamental element of the Cox system and special methods have been developed for handling various kinds of meetings and discussions. A meeting co-ordinator is picked at random to ensure that no partial person (e.g., Southam) is able to direct the course of the meeting. Special techniques (e.g., the "right to share" process) are used to guarantee that every issue anyone wishes to discuss is dealt with.
- Five times a year, there is a full week designated as a "meeting week". During this week, special times are set aside for meetings of each of the groups at Cox.
- Within each of the communications and production groups, one representative is elected for every 10 people. The elected representatives meet a minimum of five times yearly to discuss policy, salary, and other personnel issues. They have the final say with respect to appeals over dismissals and are involved in the setting of salaries. The elected representatives operate by consensus and cannot make any policy decision

unless all the people who will be affected by the decision agree. Every person thus has an effective veto. Each representative is responsible for a group of people. Representatives are elected for one year terms, but there is no limit on the number of terms a person may serve.

- The General Manager appoints six Resource Co-ordinators who meet approximately 10 times a year to handle operational and technical decisions. Major policy changes require the consensus of the whole Group.
- At least five times a year, Townhall meetings of the whole Group at Cox are held on company time. These meetings are for the discussion of general issues which come from the employees at large or from other meetings. Decisions are reached by consensus.
- All meetings at Cox are open to anyone who wishes to attend (except meetings of the pay committee where individual careers are discussed). Attendance at meetings is voluntary, but the participation rate is high; over 90% of the people attend their appropriate meetings.
- Simple minutes are kept of all meetings and are posted in the "owning centre".
- There are four non-shareholder employees, chosen by the shareholders, on the Board of Directors. At present, the elected representatives feel no pressure to be on the Board, but are exploring the possibility of having an employee-selected Director from each of the production and communications groups.
- The management/non-management distinction at Cox is quite blurred. There is no disciplinary mechanism, dismissal is the only form of discipline, and Southam is the only person in the company who can individually hire, fire or set pay. Discipline is maintained primarily through peer pressure.

Work scheduling

- Everyone at Cox is on flexible hours and everyone, including management, uses a time clock.
- There are ten, 25-day, 175-hour accounting periods per year. People may carry a deficit of 35 hours and there is infinite credit.
- For each 300 hours of credit, an extra week off is granted.
- The core hours are 10 a.m. - 2 p.m., five days a week.

Remuneration

- Twenty per cent of pre-tax profits are shared equally by everyone in the company. Profit-sharing used to be distributed in proportion to the salary of employees; but the elected representatives, followed by the Group as a whole, decided to change to the equal distribution method.
- Everyone in the company is salaried.
- The Pay Committee (a 4-person committee including the General Manager), the Resource Co-ordinators and the elected representatives set the total amount for salaries, and the top and bottom pay levels. Other salaries are set by a comparative wage survey plus a merit system based on inter-worker rankings.
- The company provides no benefits and there is no employee share-ownership plan. The employees themselves have arranged for several group benefits, but these are paid completely by the employees, on a cafeteria basis.

DESIGN AND IMPLEMENTATION

- Wilson Southam first invested in the company in 1966 when it was a 5-man organization. It was Southam's goal to organize the company as a total system for the best service of its clients and the best development of its employees. He simply implemented his ideas in the company.
- Much of the specific nature of the organization has been determined participatively over the years, but with Southam always playing an important role. In 1968, Southam and Cobourn bought out Cox's one-third interest in the company as his style was not compatible with the kind of company Southam was trying to create.

PROBLEMS - PAST AND PRESENT

- It may have been disruptive if the company had grown too fast, so growth was carefully controlled.
- Some people tried to push others too far, too fast. Those most committed to the program's ideals sometimes tried too hard to make others think their way.
- Communications difficulties between different ethnic groups have been overcome somewhat by an open, trusting climate which has helped people to understand the philosophy of the place. Understanding has also been aided by the freedom to move around, interaction between office and production workers, and the small total number of employees.

- Some people are getting "structure hungry" and would like more clarification.
- Programs can sometimes suffer "paralysis by analysis". The people at Cox have found that it is vital to act and let people use the mechanisms that have been established.
- As issues become more abstract and future-oriented, people participate less; everyone wants more control over the concrete present.

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

* PARTICIPANTS' VIEWS

- Flexibility. The programs remain open to change.
- A constant belief that people wish to help others.
- The program provides for the chance of responsibility and challenge in work. This leads to pride in work.
- The development of a collective as opposed to individualistic consciousness.
- Openness, interaction and understanding between people.
- Certain kinds of people are more suited to the system at Cox (i.e., group-oriented, self-starters as opposed to individualistic achievers).

EFFECTS OF INNOVATION

- Many of the traditional powers of management have been removed. For example, there are no real supervisors. Co-ordinators and leaders must use persuasion; they do not have the power to command.
- Employee satisfaction has increased and people have more pride in their work.
- People are more open and express their views more freely. They operate more according to their own needs. For example, they participate only if they want to.
- Productivity is high.
- Product and service quality is high.
- For some people the program has led to their being more open and participatory off the job; for example, with their families.

SOURCE OF INFORMATION

Interview with Wilson Southam, with further information from Carl Young.

Alexander Ross, "Wilson Southam: Toward the Maoist Corporation". In The Risk Takers, 1975.

ADDITIONAL REFERENCES

Donald V. Nightingale, "The concept and application of employee participation in Canada", The Labour Gazette, April, 1977, p. 162-167.

HAYES DANA LIMITED, PERFECT CIRCLE-VICTOR DIVISION

INNOVATIVE WORK ARRANGEMENT: Change in the form of remuneration, supplemented by labour-management committees as a form of worker participation (Scanlon Plan)

GENERAL INFORMATION

UNION: International Association of Machinists and Aerospace Workers, local 1703

LOCATION: St. Thomas, Ontario

OWNERSHIP: Private sector, Canadian. Head Office: Thorold, Ontario

PRODUCT: Automobile parts

NUMBER OF EMPLOYEES: 132 total; 110 production, 22 staff and management. Everyone is affected by the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

Began operations in 1967. The workforce has declined from 260 in 1973 to 132 in 1977/78. The division has a history of good labour relations. New contracts have usually been negotiated before the expiry date of the old. The local union President and the Division Manager have always met frequently to discuss mutual problems. There have been very few grievances and only two early cases have ever gone to arbitration. Turnover has always been relatively low.

REASONS FOR INNOVATING

- Began as a corporate experiment to improve employer-employee relations and thus increase productivity and improve product quality. Productivity was lower than expected and product quality was poor.
- There were problems with the individual incentive plans.

DESCRIPTION OF INNOVATION

Began in September, 1969. A system of individual incentives was replaced by the Scanlon Plan, a group bonus plan supplemented by a suggestion system and labour-management committees. The Plan is covered by a separate agreement, called the Memorandum of Understanding, between the union and the company.

The Bonus Plan

Using a base period, a base ratio of labour costs/sales dollars is determined. This ratio is used to calculate the "allowed" labour costs for each month. Each month the actual labour costs are compared to the "allowed" costs and any difference (after 25 per cent is put into a reserve fund) is split 25 per cent for the company and 75 per cent for the employee bonus pool. Bonuses are paid as a percentage of an individual's total monthly earnings.

The Production Committees

There are three production zones each with its own Production Committee. The purpose of these committees is to enable employees to participate toward the goal of increased productive efficiency. Meetings are held monthly for the "specific purpose of discussing ways and means of reducing waste and increasing productive efficiency". Committees are composed of two elected employees and an appointed management representative. They review and discuss all suggestions given to them. Management representatives can approve any suggestions requiring expenditures of less than \$100. Up to two employees familiar with specific problems can be called to participate in meetings. Minutes are kept and sent to the Screening Committee.

The Screening Committee

A central committee which receives its input from the Production Committees. It is composed of four employee representatives, (three elected, plus the President of the local union) and five appointed management representatives (all senior managers), one of whom acts as chairman. The Screening Committee handles suggestions costing more than \$100, and those involving more than one production zone. It also administers the bonus plan, checks the calculations on which the bonus is based, and can adjust the base ratio. The committee meets monthly and operates on a consensus basis.

The Operating Committee

A committee which meets only when necessary to administer the Memorandum of Understanding and, thereby, amend the Scanlon Plan. It is composed of three union and three management representatives.

Task forces

When they think it would be useful, management establishes groups of employees to meet with them and look into particular production problems. These task forces meet on company time and report back through their Screening Committee representatives.

DESIGN AND IMPLEMENTATION PROCESS

- In December 1968, the Division Manager received directions from the President of Hayes Dana to install a group bonus plan in order to improve employer-employee relations.
- The Division Manager read the Scanlon Plan book in 1968 and circulated it within management. Management responded favourably and the union was contacted to form a union-management committee. Fred Lesieur, a U.S. Scanlon Plan specialist, was hired as an outside consultant.
- A Joint Investigating Committee was formed consisting of five senior managers and four union representatives. This committee, with the help of Lesieur, worked out the specifics of the Plan.
- Union and management agreed to a one-year trial period before final adoption of the Plan. Union consent was obtained via a membership vote which showed 87 per cent in favour of trying the Plan.
- In April 1970, union membership voted 75 per cent in favour of retaining the Plan. In August 1970, the Plan was established permanently with 93 per cent of union members voting in favour of it.
- The Joint Investigating Committee agreed that the Screening Committee, aided by Lesieur, would have the power to adjust the first base ratio. The ratio has been changed, on average, once a year.

PROBLEMS - PAST AND PRESENT

- Some foremen had trouble when workers began to question or criticize their decisions.
- The slowness with which suggestions are processed has caused some apathy and frustration.
- There was some question as to whether the ideas of a management person should be considered as management changes or as employee Scanlon suggestions. Most of the time managers are considered to be employees first, thus their ideas are usually treated as Scanlon suggestions.
- An unsuccessful attempt was made to extend the plan to other Hayes Dana plants such as the operation in Hamilton, Ontario.

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

(* These are the views of the researcher who prepared the case study for the Canada Department of Labour)

- The commitment of the Division Manager.
- Management willingness to experiment with a more difficult, participatory management style.
- Union willingness to discuss problems and act co-operatively.
- The employees understood the Plan and its intentions and supported it.
- The outside consultant helped with advice and with resolving problems and misconceptions.
- Both parties were willing to modify the Plan where needed.
- Middle management attitudes were positive. They were willing to listen and discuss common goals and problems.
- "Communication, education and listening".

EFFECTS OF INNOVATION

- Labour-management relations have gotten even better. There is more sharing of information and more co-operation.
- Less turnover and absenteeism.
- Marked improvement in productivity.
- Recruitment of employees is easier.
- Since 1976 there has been no lost time due to accidents.
- The workplace is happier, there is less tension. Workers feel they are given a fair chance to participate.
- Improved communications. The union and the workers know more about what is happening in the company and the company gets the employees' ideas.
- Higher employee earnings.
- The workers feel relations between them and foremen have improved.
- There is a smaller number of broader job classifications and more job rotation.

SOURCE OF INFORMATION

Joint union-management presentation before the QWL Advisory Committee, August 24, 1977.

Ian Sugarbroad, The Hayes-Dana Scanlon Plan, a case study prepared for the Canada Department of Labour.

INCO METALS COMPANY

INNOVATIVE WORK ARRANGEMENT: Semi-autonomous work groups

GENERAL INFORMATION

UNION: United Steelworkers of America, local 6500

LOCATION: Copper Cliff (Sudbury), Ontario

OWNERSHIP: Private sector, Canadian. Head Office: Toronto

PRODUCTS: Refined nickel

NUMBER OF EMPLOYEES: 334, mostly male. Approximately 80 are affected by the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

Began operations in 1973. Planning began in 1970. The plant is a capital intensive, complex, highly automated continuous-process operation. The refining process requires the use of toxic chemicals and hence the work has a significant hazard potential. The employees are selected for an ability to learn since the functional training for an operating position is extensive, i.e., approximately 16 weeks in duration. Emotional stability and good physical condition are additional desirable qualities. Within both the Steelworkers and Inco there is recognition that both the technology and the organizational design require a certain uniqueness.

REASONS FOR INNOVATION

- To take advantage of a green field situation to apply new techniques of training and management.
- To establish teamwork and flexibility in the workforce.
- To build a positive overall working climate.

DESCRIPTION OF INNOVATION

- Began in 1973. The plant is divided into three functional areas. Two are three-shift, seven day, high technology process areas and the third is a 5-day, dayshift packaging and shipping operation.
- In operations there are eight shift teams each comprised of a foreman and six operators. Each team is responsible for a large area of the plant and all members are fully trained to perform every task in their specific area. They are also responsible for the upkeep of their area.
- The foreman and team discuss and resolve problems together. Within each operations work team there are only two job levels: Operators and Assistant Operators. The Operators are responsible for assigning and directing the work of their assistants as well as for the more critical control and testing functions. They liaise with the foremen who tell them what specific work is required beyond normal functions and report variances from normal.
- In the product packaging and shipping area one 7-9 man team is responsible for all tasks. These range from cleaning, through product packaging, preparation of all shipping documents and final release of the product from the plant. All team members are paid the same rate and are required to do all the tasks. Job rotation is organized by the group itself in conformity with group and individual needs and desires, as well as with production requirements.
- The maintenance group is part of a district wide maintenance organization with traditional trade structures and little or no crossing of crafts. Extensive functional training of the first non-apprenticed trades commenced in late 1977.

DESIGN AND IMPLEMENTATION

- The program was first developed by the Plant Manager and an internal consultant. Plant personnel participated in setting the overall objectives for the new plant. These still form the basis for management decisions today. Many decisions were taken in the early, formative days which affected the ultimate growth of the plant culture. Counselling rather than punitive discipline and clockless timekeeping are typical examples. One of the most significant innovations was the decision to give the operators extensive "functional training" so that they would have the knowledge and skills to operate the new technology. In the packaging and shipping area special training was given to enhance team work and communications. In parallel, key management people were given advanced management and interpersonal skill training.

- The union was not formally involved in the original design process. However, all changes in the existing structure are discussed with the local union representatives, and in fact some are initiated by them.

PROBLEMS - PAST AND PRESENT

- As part of their enlarged jobs, operators were required to perform process work which required the use of tools. The union viewed this as an encroachment on traditional trade areas and challenged it, thus leading to the arbitration of a Company/Union difference. Prior to the conclusion of the proceedings, an agreement was reached in the form of a memorandum of agreement separate from the collective agreement. This specified the distinction between operations and maintenance work, but maintained the operators use of tools. The underlying reason for the problem was that since this type of operator's job was new to the district, the maintenance workers perceived it as a challenge to their traditional control over maintenance tasks and, hence, as a threat to their job security.
- Management found that as the workers' competence increased, the need for close supervision decreased. Too close supervision resulted in the workers becoming frustrated. Some young supervisors found it difficult to deal with highly competent workers, which highlighted the need for more sophisticated supervisory training.
- The local union representatives are suspicious of job enrichment generally, regarding it as a device to get workers to do more work.
- In the operations area, shift work makes it more difficult for a work team to feel that they "own" an integrated section of the operation.

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

* PARTICIPANTS' VIEWS

- Management commitment to improving quality of working life.
- Management must be sincere and earn the trust of employees.
- Training of managers, supervisor and workers is fundamental.
- Managers must be educated in how to bring about change and consultants skilled in the process of change should be utilized.

EFFECTS OF INNOVATION

- Management has begun to recognize the need for more "professional" management.
- The workforce is more competent and motivated. The operators have become more professional as a result of their extensive training. Management sometimes gets requests from the workers for additional training.
- Since the workers have gotten much of the control that previously enhanced the foreman's position, the foremen are currently being trained in the field of management to maintain their leadership position.
- Local union representatives at the plant level have developed self confidence and independence.
- Absenteeism in 1977 was lower than at comparable district plants.
- There is a climate of openness so that conflicts are expressed and resolved. Both parties have developed the ability to disagree without having the organization come apart.
- Productivity in the refinery is very good.

SOURCE OF INFORMATION

Interviews with union and management representatives.

INTERNATIONAL NICKEL COMPANY OF CANADA LIMITED

INNOVATIVE WORK ARRANGEMENT: Labour-management committee, as a form of worker participation and information exchange

GENERAL INFORMATION

UNION: United Steelworkers of America, locals 6200 and 6500

LOCATION: Sudbury and Port Colborne, Ontario

OWNERSHIP: Private sector, Canadian. Head Office: Toronto

PRODUCTS: Nickel mining, smelting and refining

NUMBER OF EMPLOYEES: 15,100, predominantly male. Everyone is affected by the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

Inco was first unionized in 1944 by the Mine, Mill and Smelter Workers. In 1963 the United Steelworkers of America took over. The industrial relations picture between 1963 and 1970 was quite poor. There were strikes in 1966 and 1969, a large number of grievances with considerable backlogs, and many other labour relations problems.

REASONS FOR INNOVATING

- To improve communications and labour-management relations.
- To expand channels of communication beyond the grievance procedure and contract negotiations.

DESCRIPTION OF INNOVATION

- Began in October, 1970. Involves the bargaining units at the Sudbury and Port Colborne operations. The two collective agreements provide for "In-Term" or labour-management meetings which are held every six months. These meetings involve both union and management representatives. From the union: the Director of District 6, the Area Representatives, the two local Presidents, and a representative group of stewards. From Head Office: the Vice-President, Employee Relations and the Director

of Industrial Relations; from Sudbury: the Manager of Industrial Relations and managers from mines, surface operations and health and safety operations; and from Port Colborne: the Superintendent of Employee Relations and the Manager of Operations.

- Meetings consist of two-day sessions where issues of concern to either party are discussed. Both parties submit agendas about two weeks in advance of meetings. The agenda for the union is made up by the local union people.
- Both parties receive the other's agenda before the meetings and are able to prepare position papers and clear their responses with higher authorities. This makes it easier for final decisions to be made at meetings.
- General issues are discussed at meetings. Management provides sales, financial, and other information. Areas are discussed where the parties are having problems and where there is no other channel for their resolution.
- The meetings do not carry any formal decision-making powers, but since many top people with the authority to make decisions attend, things do get done.
- Grievances are not usually discussed so as not to interfere with the regular grievance procedure.
- The collective agreement is discussed at these meetings. It can be modified or changed if the parties agree.
- After each meeting, management produces a publication called "Inform" which covers the content of the meeting. This is sent to all supervisors and, if the union requests (as it usually does), to all stewards. The union often reprints this report in its newspaper.

DESIGN AND IMPLEMENTATION PROCESS

Management proposed to the union that union-management meetings take place. The union welcomed the opportunity.

PROBLEMS - PAST AND PRESENT

- The union and management say there are no problems with the process itself, although there are still many items that do not get resolved at the In-Term meetings.
- The union representative felt the early 1978 lay-off situation at Inco might have a negative effect on the In-Term meetings.

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

* PARTICIPANTS' VIEWS

- The top people attend the meetings, so things can really get done.
- The exchange of agendas in advance of meetings allows the parties to prepare themselves so that they are able to make decisions and handle issues when they are discussed.

EFFECTS OF INNOVATION

- Labour-management relations have greatly improved.
- Contract negotiations are much smoother; both sides know a lot more about the total situation when negotiations begin.
- Fewer strikes.
- Meetings allow a lot of steam to be let off. Problems which are brewing are dealt with so that the number of problems that have to go to negotiations has been reduced.
- Both management and labour are better informed and better understood; this makes the whole operation run more smoothly.
- Communications improved. Supervisors and stewards get reports of each meeting so they are better informed as to what is happening.

SOURCE OF INFORMATION

Interview with Inco's Vice President, Employee Relations, and with the Steelworkers District 6 Area Representative.

MACMILLAN-BLOEDEL (R. LAIDLAW LUMBER COMPANY LIMITED)

INNOVATIVE WORK ARRANGEMENT: Semi-autonomous work groups

GENERAL INFORMATION

UNION: Non-union

LOCATION: Thunder Bay, Ontario

OWNERSHIP: Private sector, Canadian. Head Office: Vancouver, B.C.

PRODUCTS: Wafer board panels

NUMBER OF EMPLOYEES: 150; mostly male. The whole plant is involved in the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

New plant, began operations on February 1, 1975. The recruitment of employees began in summer, 1974. Major emphasis was placed on recruitment activities to select managers and workers interested in and suited to the proposed organization of work. Most of the people hired were new to the company. Production workers are paid on a monthly salary basis with the average level as of summer 1978 at approximately \$1,350. The average age of staff is in the low 30's.

REASONS FOR INNOVATING

Belief that achievement of individual and company goals can most effectively be accomplished through development of interesting and varying job responsibilities and broad participation by individuals in decisions affecting the plant operating system.

DESCRIPTION OF INNOVATION

- Began with the opening of the plant in February, 1975.
- Production employees work in teams made up of 5-6 people in an area. There are four teams (about 24 people) and one co-ordinator on each of four shifts. Teams are semi-autonomous. The production workers, as a whole, chose their shift arrangements.

Team members rotate, and teach each other the different tasks within the team's area, so that all members will know all the tasks done by the team. The team decides the assignment of tasks, settles personal problems, operates and helps maintain equipment and participates in recruitment. Workers move, at their own will, between teams and shifts fairly regularly.

- All employees are salaried. There are five salary levels reflecting the degree of knowledge, ability and leadership which the individual has developed. Initiative and attitude toward individual and team development are important factors. The shift co-ordinator decides, with input from the other co-ordinators and the team members, when an individual has progressed to the next level.
- Meetings of team representatives, co-ordinators and the Plant Manager are held whenever initiated by any of this group to discuss and decide on specific issues. There are also meetings of teams and of shifts on an irregular basis. General information meetings for all plant staff are held outside of working hours and on an irregular basis.
- The plant has an open parking lot and everyone uses a common entrance.

DESIGN AND IMPLEMENTATION PROCESS

A project team was established to design and manage the construction of the plant and to be responsible for the startup and operation of the facility. This group established the philosophy with assistance from organizational specialists, designed the guidelines for operation and initiated selection of all plant personnel. All employees were given extensive training focussing on team interaction and skill development. The program continues to be modified through input from all the people who are involved in the organization.

PROBLEMS - PAST AND PRESENT

- Progression through the salary levels was initially based on the need to develop skill levels on all four teams. Many individuals preferred to remain in a specific work area which limited their progression. The salary system was therefore re-examined and after extensive discussion involving direct participation by the production employees, the system was modified to enable full progression within one team.
- Some people had difficulty adjusting to the amount of latitude in the organization and, at least initially, wanted more direction. However, the teams themselves were comfortably able to make adjustments for the needs of these people.

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

* PARTICIPANTS' VIEWS

- The dynamic quality of the organization. The specifics of the program evolved slowly and are being modified on an on-going basis to better fit the objectives of the people and the goals of the plant.

EFFECTS OF INNOVATION

- Audits of employee satisfaction have shown the level to be highly positive.
- Turnover and absenteeism are below general company averages.
- Employees have more opportunity to learn many tasks and, thus, to progress to higher skill and salary levels.
- Ease in recruitment. There were over 400 applicants for the original 24 positions and there is currently a long waiting list to work in the mill.
- Positive changes in work methods and relationships occur smoothly and regularly.

SOURCE OF INFORMATION

Interviews with three levels of mill personnel.

Hal Malone, "Where participative management works", Canadian Business, March, 1977, p. 22-28.

MIDLAND INDUSTRIES LIMITED

INNOVATIVE WORK ARRANGEMENT: Labour-management committee, as a form of worker participation and information exchange

GENERAL INFORMATION

UNION: Amalgamated Clothing and Textile Workers, local 1476

LOCATION: Midland, Ontario

OWNERSHIP: Private sector, Canadian. Head Office: Calgary, Alberta

PRODUCTS: Custom industrial moulding

NUMBER OF EMPLOYEES: 151 total; 120 hourly, 31 salaried. All hourly employees are affected by the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

Began operations in 1953. The plant has a large amount of autonomy in running its operation. It was first unionized in 1958 and has a history of good labour relations. Relations between the union and senior management have been especially good. There have traditionally been few grievances and none have gone to arbitration.

REASONS FOR INNOVATING

To improve communications between senior management and the union.

DESCRIPTION OF INNOVATION

Began in 1962. Involves all members of the bargaining unit. Consists of union-management meetings which are held monthly on company time. The union is represented by the five-member union executive plus two stewards, and the company by the Personnel Manager, Plant Manager and company President. The issues discussed are general issues such as the progress of the company, methods of production and interpretations of the collective agreement. Meetings used to deal a lot with safety, but these problems have been referred to a special safety committee. A special procedure is used at meetings to guarantee that everyone has the chance to

participate. The format is to go around the table and allow each person to speak. There is an individual suggestion scheme (with payment) operated by the personnel department, but most employee suggestions came from the union-management meetings. All questions, answers and suggestions discussed at meetings are published in the company newspaper "Plasticos". A copy of this is given to all employees with their pay.

DESIGN AND IMPLEMENTATION PROCESS

Initially, management held separate department meetings every six weeks. After one year's experience, it was decided that separate meetings were not needed and one company-wide meeting was introduced.

PROBLEMS - PAST AND PRESENT

Management was initially worried about the kinds of reports which would go back to the workers concerning the union-management meetings. They decided to publish the meeting's proceedings and to make them available to everyone.

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

*PARTICIPANTS' VIEWS

- Publication of the meetings' proceedings so that all information goes directly to everyone without misinterpretation. This also ensures that management follows up what they say with action.
- The company is small enough that the people who actually have the power to make decisions attend the meetings. Management can thus answer many questions immediately and the union respects the fact that they can do something about what they say.

EFFECTS OF INNOVATION

- Union-management relations have improved. There is more mutual respect between the parties now.
- Management feels the union has become more positive and constructive in its approach. It has made many useful suggestions for improving things.
- Improved communications. Rumours do not get out of hand and disrupt things.
- Workers feel more secure since they know their complaints will be handled quickly and fairly by the committee.

- Reduces the number of grievances by dealing with problems before they become grievances.
- Negotiations are quicker and easier since both parties begin negotiations with a good understanding of each other's position.

SOURCE OF INFORMATION

Interviews with union and management representatives

NATIONAL CASH REGISTER

INNOVATIVE WORK ARRANGEMENT: Job enlargement
Flexible hours
Share-ownership

GENERAL INFORMATION

UNION: Non-union
LOCATION: Waterloo, Ontario
OWNERSHIP: Private sector, American. Head Office: Dayton, Ohio
PRODUCTS: NCR 775 Bank Proofing System
NUMBER OF EMPLOYEES: 630. Flexible hours and share-ownership affect everyone; the job enlargement program affects 180 employees.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

Relatively new plant having opened in 1973. Has an open door policy with regards to labour relations. Head Office allows the plant considerable autonomy in its operation. Production is by modular assembly. There are four lines each producing one of four basic modules that make up the product. Skill levels are mixed but low in the assembly operations. No history of unionism.

REASONS FOR INNOVATING

Overall desire for better quality control and increased incentive and pride on the part of workers. Feeling that job enlargement was an innovation well-suited to the electronics industry.

DESCRIPTION OF INNOVATION

Job enlargement

Began in 1973. Involves 180 assemblers, most of whom are young women. Assemblers work at their own individual stations and set their own work pace. Each assembler uses 4-5 different tools and performs 4-5 different operations. They each put in several components to make an identifiable assembly. Workers have some direct decision-making powers with respect to their jobs. For example, they choose their own tools, decide when to change a tool,

and may request that their work station layout be altered. They are also consulted on changes that may affect them. All assemblers on a line are trained to work at every station on that line and they rotate regularly.

Flexible hours

Began in 1973. Involves all 630 employees. Employees are permitted to determine their own start and finish times within the specified limits of 7:30-9:00 a.m. to start and 4:00-6:00 p.m. to finish. Core hours are 9:00 a.m. to 4:00 p.m. Employees must work 8 hours a day and are asked to forecast what hours they will work. However, these forecasts do not have to be strictly adhered to. There are no time clocks and employees are entitled to overtime pay.

Share-ownership

Began in 1973. Involves all 630 employees. Employees who have been with the company at least one year may purchase stock through payroll deductions. Payroll deductions are limited to 10 percent of one's salary. Twice a year, senior management decides how much common stock it will sell. The stock sold is the same as that sold on the market, but without brokerage fees.

DESIGN AND IMPLEMENTATION PROCESS

Innovations were designed and implemented by senior management, primarily the General Manager. There was no worker involvement.

PROBLEMS - PAST AND PRESENT

- Head Office was initially opposed to flexible hours, but did not stop the plan.
- Initially some employees could not handle flexible hours. They needed more regimentation. These problems were handled by the employees themselves because they did not want to lose flexible hours.

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

* PARTICIPANTS' VIEWS

Innovations of job enlargement and flexible hours provide for variety and flexibility. Flexible hours do not interfere with production since assemblers are able to build up stocks at their work stations.

EFFECTS OF INNOVATIONS

- Has resulted in better product quality control.
- Employees are more satisfied with their work.
- Flexible hours allow employees, particularly women to better fit their job to their family life.

SOURCE OF INFORMATION

Interview with a management representative

ONTARIO HYDRO

INNOVATIVE WORK ARRANGEMENT: Labour-management committee, as a form of worker participation and information exchange

GENERAL INFORMATION

UNION: Canadian Union of Public Employees, local 1000

LOCATION: Province-wide

OWNERSHIP: Public sector, Province of Ontario. Head Office: Toronto, Ontario

PRODUCTS: Production and transmission of electric power

NUMBER OF EMPLOYEES: 24,000 total; 13,300 bargaining unit - 11,100 males, 2,200 females. The whole organization is affected by the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

Began operations in 1906-1907. Ontario Hydro is a complex and very large organization covering many different occupational groups. Skills range from clerical to over 1,000 categories of tradesmen and electrical, thermal and nuclear operators. The bargaining unit includes clerical, technical, trades, and operation employees at more than 100 different locations. The workers have been unionized in some form since 1935 and joined C.U.P.E. in 1963. Hydro has had traditionally poor union-management relations, with a history of difficult negotiations, strikes and bitter feelings. The three rounds of negotiations from 1968-1972 reflected a progressively deteriorating relationship marked by numerous work-to-rule slowdowns and several work stoppages including a bitter 4-month strike in 1972. The number of grievances during this period doubled and arbitrations tripled.

REASONS FOR INNOVATING

- Realization by both parties that something had to be done to improve union-management relations. Both parties recognized that union-management relations were too negative and legalistic and that something had to be done to get the parties back talking together.

DESCRIPTION OF INNOVATION

- Began in February, 1974 when a Joint Committee on Relationships (J.C.R.) was established. The J.C.R. is composed of senior representatives of both union and management. The union is represented by the union President and two Vice-Presidents, and management by the Director of Labour Relations, the Manager of Industrial Labour Relations, and two line managers with no labour relations background. The J.C.R. administers itself and meets only when necessary. Meetings are informal with no chairman, minutes, or agenda. The J.C.R. meets to review the bargaining process and to design the process for the next round of negotiations. It determines the use of sub-committees and of the bargaining agenda structure. It also develops a bargaining timetable which provides a framework for more prompt negotiations. Generally, the J.C.R. looks at problems in the bargaining process; it is not a vehicle for continuous bargaining.
- The J.C.R. established a two-tiered committee structure at the intermediate (i.e., Regional Manager and Chief Steward) level and at the plant level to improve communications. Committee meetings are held regularly, at least twice a year, and the parties are encouraged to discuss general issues.
- A Grievance Review Board was established in May, 1974, by the J.C.R. as an alternative procedure for unusual third-step grievances. It is composed of the executive committee of the union and three Hydro representatives (at least two are above the level of Regional Manager or Director). Each side has a veto right over whether a grievance will be handled by the Board. The G.R.B. deals only with unusual grievances and is not an alternative to regular arbitration.

DESIGN AND IMPLEMENTATION PROCESS

- The program was jointly developed. Both the union and management participated in the formation of the J.C.R.
- Formal approach was made by the Chairman of Ontario Hydro on September 7, 1973, in a letter to the local union President. He proposed a joint study of union-management relations in an attempt to find "A Better Way".
- As a prior step to co-operation and agreement, the union President proposed that both sides cease strike discipline activities and that those individuals who had been terminated during the 1972 strike be rehired. This was agreed upon.
- The program was initiated on October 17, 1973, when a study team composed of representatives of senior management and the union was set up to look into relationships, strike alternatives, the size of bargaining agendas, the length of negotiations and communications with employees.

- On February 4, 1974, the parties announced the establishment of a Joint Committee on Relationships to search for more compatible and productive relationships between the union and Ontario Hydro.
- Two outside group leaders were involved in the early stages of the J.C.R. They were used initially as a backstop to prevent discussions from getting out of hand. Their usefulness was limited and the parties quickly realized that they could get along without them.

PROBLEMS - PAST AND PRESENT

- To avoid early problems of standoffs, the J.C.R. avoided controversial matters and concentrated initially on relatively innocuous topics.

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

* PARTICIPANTS' VIEWS

- The bitter 1972 strike caused both parties to address themselves to improving union-management relations. Both saw the need for "A Better Way".
- The J.C.R. provides an open channel for communications. This has helped to break down some of the barriers in union-management relations.
- The J.C.R. allows the parties to get to know each other better personally. This has resulted in more mutual respect and understanding.
- There is some feeling that it is still too early to judge the effectiveness of the J.C.R. and that the bitter 1972 strike and the A.I.B. may be major reasons for its success. Future relationships are going to be discussed in upcoming meetings.

EFFECTS OF INNOVATION

- Overall union-management relations have vastly improved. Both parties are more willing to compromise and discuss things without becoming bogged down in legalistic arguments.
- The period of negotiations has been shortened considerably and the size of the bargaining agenda has been reduced. In 1975, negotiations were shortened to three months compared to a 13-month average over the last three rounds. The number of items on the bargaining agenda was reduced to 90 from a previous high of 270.
- For the first time, in 1975, a new Agreement was reached before the existing one had expired and without a strike.

- Two mid-term agreements were reached in September, 1974, on the contentious issues of employment security and mutual protection which had been left unresolved after the 1972 strike.
- The Grievance Review Board has dealt with only three grievances so far and has resolved them all. It has not had a significant effect on the number of grievances which have gone to arbitration.

SOURCE OF INFORMATION

Interviews with the local union President and the Senior Industrial Labour Relations Officer for Hydro

Labour Canada, "An Examination of Significant Canadian Experiments in Improving Industrial Relations at the Work Place", Report for the Canadian Labour Relations Council, 1976, pp. 1-15.

PETROSAR

INNOVATIVE WORK ARRANGEMENT: Worker participation in management
Semi-autonomous work groups

GENERAL INFORMATION

UNION: Non-union

LOCATION: Sarnia, Ontario

OWNERSHIP: Canadian Development Corporation (20%), Polysar (40%),
Dupont (20%), and Union Carbide (20%); 60% Canadian
and 40% American. Head Office: Sarnia, Ontario

PRODUCTS: Manufactures petro chemicals

NUMBER OF EMPLOYEES: 525; 325 operators and maintenance, 200 man-
agement and administration. Everyone is
involved in the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

Began planning in 1974. Started operations in April, 1977, and was in full operation by early 1978. The Sarnia plant is Petrosar's first and only operation. Management says it is the most capital intensive company in Canada. The work force is well educated, highly skilled and includes a significant number of professionals. There is a mixture of age and experience levels within the plant. The company ran an extensive public relations recruitment program across Canada and carefully hand-picked the managers, supervisors, and operators. During the recruitment, it was found that younger people were generally more receptive to the prospects of a participative management style.

REASONS FOR INNOVATING

- The new company President has a strong behavioural sciences background and it was his idea to organize the plant differently.
- The goals are to increase employee satisfaction, personal growth and development; and to achieve greater productivity and profits.

DESCRIPTION OF INNOVATION

Worker participation in management

There is an overall participative management style built around team action and based on the concept that workers should have input into decisions which affect them. There are four major types of teams at Petrosar, each having a somewhat different function and/or duration: structured teams, standing task teams, project teams, and formal or informal task teams. A team consists of a Sponsor, a Leader, and members. The Sponsor, either a supervisory person or another team, is the highest authority to which a team responds, but does not take part in routine team activities. The Leader, who can be either a supervisory or non-supervisory person depending on the task to be dealt with, is chosen by the Sponsor. The Leader and Sponsor together choose the members of the team. Membership on teams is voluntary, but people are encouraged to participate. Teams work on a consensus basis and in the absence of a consensus, the Leader makes the final decision. Teams make recommendations to management and thus have a primarily consultative role.

Some of the teams currently in operation are:

1. Interdepartmental teams - Standing task teams which at present include only management (e.g., Department Head team)
2. Safety, Health and Environment - A standing task team involving all levels of employees.
3. People In Petrosar - A formal task team involving all levels of employees. Its purpose is to identify the 10 most important "people concerns" at Petrosar and to make recommendations for dealing with them.
4. Performance Appraisal - A formal task team involving all levels of employees. Its function is to prepare recommendations for a performance appraisal system.
5. Petrosar Resource Effectiveness Program (P.R.E.P.) - A standing task team which is basically a suggestion program. The team, composed of all levels of employees, makes recommendations to management on suggestions and then publishes those which are accepted.

Semi-autonomous work groups

Operators work in teams of 4-6 operators and one foreman. Teams decide many things for themselves, together with their foreman. Within each team the operators rotate amongst a variety of jobs and are paid according to what they can do, not what they actually do. There are five specific phases of skill within each team. There is a continuous training and progression program involving training modules and objective tests. It takes 9-12 months to progress through each phase, so everyone should reach the top phase in 4-5 years. Operators do not do their own maintenance work. Management is moving toward cross-crafting with maintenance people and toward creating a sixth phase for people who can work in many teams.

DESIGN AND IMPLEMENTATION PROCESS

Management, particularly the company President, developed the participative management idea. Managers were specially selected to fit the idea and given extensive training geared to working in teams. Employees were also selected carefully, introduced to the general concepts of the program, and given specific training. The idea was to work on people's attitudes first and not to force behaviour. Two management consulting firms were involved in the design and implementation process.

PROBLEMS - PAST AND PRESENT

There is a tendency, for all levels of employees, to go back to the way they used to do things before they came to Petrosar. People must relearn many of their attitudes before they are able to actually change their behaviour.

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

* PARTICIPANTS' VIEWS

- A continual evaluation of actual behaviour against the philosophy to ensure that it is living up to what it should be.
- Openness and mutual trust between the parties.
- The continual assessment of people's needs and the development of programs to address these needs.

EFFECTS OF INNOVATION

- * Due to the newness of the plant and its technology, management feels it is too early to determine the actual effects of the innovations.

SOURCE OF INFORMATION

Interview with the Manager, Employee Relations

The Petrosar Team Action Manual

PRUDENTIAL INSURANCE COMPANY OF AMERICA

INNOVATIVE WORK ARRANGEMENT: Job enrichment

GENERAL INFORMATION

UNION: Non-union

LOCATION: Toronto, Ontario

OWNERSHIP: Private sector, American. Head Office: Newark, New Jersey

SERVICE: Insurance

NUMBER OF EMPLOYEES: 800. To date, about 120 are affected by the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

Fairly labour intensive. The program was based on a company-wide commitment to "job design" which originated in the U.S. Headquarters. Each regional office has management personnel specially trained in the theory and practice of job design.

REASONS FOR INNOVATING

To combat job dissatisfaction. The goal was to make each job more interesting, give workers more decision-making authority, provide direct feedback from customers, and make each job a complete whole with a beginning and an end.

DESCRIPTION OF INNOVATION

- Began in 1973. As of September, 1977, it had been implemented in 12 sections involving about 120 people - mostly young, highly mobile women. Senior management plans to expand the program where possible.
- In most units where job design has been introduced, all employees do a total job, from filing their own papers to direct contact with clients. The kinds and skill level of tasks performed in a job are, therefore, increased.

- Job functions are broken down into a series of steps from the simplest to the most difficult. Employees progress at their own pace to the top level functions with the help of a trainer. If people are unable to reach the top level, they are transferred to another area.
- Knowledge is spread around so that people can fill in for each other when necessary.

DESIGN AND IMPLEMENTATION PROCESS

- The job design program was started in the United States in 1972, but did not work because senior management did not properly understand it.
- The company then committed \$4 million to developing a job design program. Senior managers from the regional offices submitted suggestions and long range plans were developed for the eight regional head offices. An internal consultant was then appointed in each regional office.
- In each regional office, top management chose the areas where job design would be implemented. Senior management at the Toronto head office felt job design was needed most where there was multiple handling of paper, diffuse decision-making responsibilities, and high turnover.
- The normal steps for the development of a program are:
 - 1) A diagnostic study of the department by management. The study involves an interview survey of all workers, plus studies of attendance, turnover, demographics, service levels and cost levels. The information is used to determine whether the department is suitable for job design and to provide a baseline.
 - 2) Workshops are held approximately 12 times to brainstorm on how to actually redesign the jobs. The workshops include the Manager, Associate Manager, Supervisor, a technician and a clerical representative.
 - 3) One or two employees within the department are chosen as "trainers" to help people make the transition. Monthly progress reports are kept and when the transition is considered complete, an evaluation is done.
- Careful records are kept throughout the whole process.
- In Toronto, the job design program was implemented slowly - one area at a time.

PROBLEMS - PAST AND PRESENT

- The first attempt at job design in the U.S.A., in 1972, failed because the outside consultant handling the program did not sell it properly to senior management and secure commitment of personnel and financial resources.
- No problems with the program in Toronto. Areas are picked carefully to avoid failures. Job design is not attempted where there is a more basic fault to be corrected first.

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

* PARTICIPANTS' VIEWS

- Both top and local level management were committed to the program.
- Availability of full-time resources.
- Conversion to job design was done slowly.
- Only "healthy" departments were chosen for attempts at transition.
- The whole process is well-documented. This cements the job design in place so it won't disappear with a change in management.
- Peer pressure; employees strive to progress as they do not want to be left behind.

EFFECTS OF INNOVATION

- Employees who felt they had reached their highest potential have progressed to higher levels of work and higher salaries.
- More employees are able to move to the top salary level without an overall increase in salary costs.
- Employees are more productive, so fewer of them are needed. In one area, the number of people went from 12 to 10.
- Management is less involved in day-to-day problems. It is free to concentrate on planning and performance evaluation.
- Morale is higher. Employees are willing to accept more responsibility. Their attitude to work and their job satisfaction have improved.
- Turnover has decreased. In one unit, turnover fell from 43 to 0 per cent. Thus training costs have decreased.

- Absenteeism has been reduced.
- Some department managers seeing the program succeed in other areas have requested it for their own departments.

SOURCE OF INFORMATION

Interview with the senior job design consultant in Toronto

"Prudential motivates with job design". In Canadian Office, July/August, 1976, p. 10.

"Job design". In Contact (a Prudential publication), October 1975.

ST. LAWRENCE CEMENT COMPANY

INNOVATIVE WORK ARRANGEMENTS: Labour-management committee, as a form of information exchange

GENERAL INFORMATION

UNION: United Cement, Lime and Gypsum Workers' International Union, local 366

LOCATION: Mississauga, Ontario

OWNERSHIP: Private sector, Swiss. Head office: Switzerland

PRODUCTS: Cement (powder)

NUMBER OF EMPLOYEES: 365; 210 hourly, all male; 155 office and staff. All hourly employees and management are affected by the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

Began operations in Canada in 1956. A large number of hourly employees have been with the company since its beginning. The plant has been unionized since opening and has a history of good labour relations. There has never been a labour dispute and the company has never had a grievance go to arbitration. The bargaining unit includes production, maintenance and laboratory workers. Production is a continuous-process operation.

REASONS FOR INNOVATING

To improve communication-to enable both parties to understand what is happening at the plant and to avoid rumours.

DESCRIPTION OF INNOVATION

Began in 1957. Involves only the 210 hourly employees in the bargaining unit; office and staff are not included. The collective agreement calls for a labour-management committee which meets monthly, or more frequently when necessary. There are four union representatives - - the local union Chairman and three stewards; and four management representatives--the Industrial Relations Manager and three department superintendents. The committee meets on company time and, as a term of the contract, the union Chairman is given time to prepare. They discuss a wide range of issues, both within and beyond the collective agreement. Grievances are not discussed as there is a separate grievance committee. Union requests are considered and answered by management either at the meeting or later. Most problems are handled on a day-to-day basis through continuous consultation between management and the union. Minutes of the meeting are not posted, but are read out at union meetings.

DESIGN AND IMPLEMENTATION PROCESS

The program has been in existence since shortly after the company began operations.

PROBLEMS - PAST AND PRESENT

Both Labour and Management say there are no problems.

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

* PARTICIPANTS' VIEWS

- There is a two-way flow of information with continuous daily consultation.
- A common sense attitude prevails at meetings.

EFFECTS OF INNOVATION

- No strikes
- Problems are handled more quickly and employees have some input.
- Fewer grievances. Grievances are settled more easily, not one has ever gone to arbitration.
- There are no interruptions in production due to misunderstandings.

SOURCE OF INFORMATION

Interview with the Superintendent of Industrial Relations

Canada Department of Labour, Teamwork in Industry, March 1967.

ST. THOMAS PSYCHIATRIC HOSPITAL

INNOVATIVE WORK ARRANGEMENT: Labour-management committee, as a form of information exchange.

GENERAL INFORMATION

UNION: Ontario Public Service Employees Union (O.P.S.E.U.)

LOCATION: St. Thomas, Ontario

OWNERSHIP: Public sector, Ontario Ministry of Health

SERVICE: Psychiatric hospital care

NUMBER OF EMPLOYEES: 784 total, including 70 management personnel.
Everyone is affected by the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

Began regular operations in 1945. Heavily labour intensive; personnel accounts for 85% of the hospital's costs. There are 450 patients in the facility. The bargaining unit includes a wide range of employees, from unskilled service workers to highly trained professionals. Previous management at the hospital was quite autocratic. Collective bargaining is very centralized; union and management representatives at the hospital are not involved in the negotiation of the basic contract. In recent years, the hospital has been on the Ministry of Health "close list" twice.

REASONS FOR INNOVATING

- To save the hospital from possible closure by the Ministry of Health.
- To change the old style of autocratic management.

DESCRIPTION OF INNOVATION

- Began in 1972-1973 and consists of monthly labour-management meetings. The union is represented at the meetings by the local President, the past President, the senior shop steward of nursing, and the regional O.P.S.E.U. representative, if requested by the union. Management is represented by the Administrator, the Personnel Officer, and the Director of Nursing. Other union and management representatives may also attend if they are involved with particular issues on the agenda.
- An agenda is circulated prior to the meeting. Both parties can put any item they want on the agenda. They may also bring up new issues at the meetings if there is time available. Some examples of issues discussed include lay offs, the future role of the hospital, the safety committee, etc.
- There are some issues which are not discussed at meetings. (e.g.; nature of work, supervision, etc.). These are still considered to be management rights.
- The hospital administration takes the position that management has the right to manage while the union has the right to grieve, especially with respect to issues that fall under the collective agreement. For issues that are not covered by the agreement, either one side capitulates or both sides compromise. Meetings are seen more as a means of communications than as a means of worker participation.
- The Administrator's secretary keeps minutes of the meetings. These are reviewed by both the union President and the Administrator, and approved at the next meeting. Copies of the minutes are not widely circulated. Copies go to the Ministry of Health and to the O.P.S.E.U. Head Office.
- There are supplementary lower-level meetings within the 36 departments in the hospital. All department heads meet regularly, usually weekly, with their staff for the purposes of communications and planning.
- There are several advisory committees (e.g., medical and professional advisory committees) composed completely of management, despite the fact that some people in these functional areas are in the bargaining unit.

DESIGN AND IMPLEMENTATION PROCESS

In 1967, the Treasury Board and Ministry of Health provided for the implementation of Employee Relations Committees at local levels. These committees were to consist of the hospital Superintendent or Administrator with two members chosen by him, and three employee representatives from the bargaining unit nominated by the then C.S.A.O. At St. Thomas, the committee functioned at a very low level from 1968 to 1972, previous management electing to discuss issues on a one-to-one basis between the hospital Superintendent and the local union President rather than in committee. It was not until 1973, when present management recognized the need, that the committee was revamped, regular meetings instituted, and the present method of operation adopted.

PROBLEMS - PAST AND PRESENT

The union and management agree there are no problems.

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

* PARTICIPANTS' VIEWS

- A policy of directing discussions in meetings to specific problems as opposed to generalities such as "morale".
- The willingness of both parties to communicate honestly.

EFFECTS OF INNOVATION

- Improved communications; the union knows more about what is going on. This has helped in the handling of rumours over, for instance, what the Ministry of Health plans to do with the hospital.
- Has helped to save the hospital. Improved union-management relations have enabled the hospital to develop programs which are more responsive to community needs.
- There have been no grievances in the last 12 months which have gone above the supervisor level.
- Productivity and quality of service have improved. Through working co-operatively, management and the local union are taking a more flexible approach to the collective agreement.

SOURCE OF INFORMATION

Interviews with the Administrator and the local union President

SCM BOOKROOM

INNOVATIVE WORK ARRANGEMENT: Self-management

GENERAL INFORMATION

UNION: Non-union

LOCATION: Toronto, Ontario

OWNERSHIP: Wholly owned by the Student Christian Movement (SCM),
a non-profit organization under Federal charter

SERVICE: Book sellers

NUMBER OF EMPLOYEES: 17, everyone is involved in the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

- The bookroom opened in 1957. It caters primarily to the academic and theological communities. Because of its good reputation and its location near the University of Toronto, the Bookroom draws customers from throughout the whole Metro Toronto area. Most of the employees are under 30 and are highly educated. Although a few employees have suggested unionization, most of them are not interested in union affiliation.

REASONS FOR INNOVATING

The Student Christian Movement did not want to run the Bookroom itself and self-management is consistent with its ideology. They wanted the Bookroom to be a non-hierarchical, staff-run operation.

DESCRIPTION OF INNOVATION

- There are no managers at the SCM Bookroom. The Bookroom is managed by its employees through a system of general staff meetings and specific committees.
- The Bookroom has a Board of Directors, called the Bookroom Committee, composed of four members of the Student Christian Movement, four Bookroom employees, and four people from the community at large. The community members are chosen by the rest of the Board. The Board exerts its influence only in serious financial or legal matters. Generally, the Bookroom runs independently. The workers make all operational and personnel decisions and, subject to Board approval, set the budget for the store and make most financial decisions.
- Every Tuesday morning from 8:30 - 10:30, there are either general staff or committee meetings. All Bookroom employees attend the staff meetings where general interest issues are discussed. Decisions are made by vote and each full-time employee has one vote. The meetings are relatively informal but do have a chairperson, an agenda, and minutes are kept.
- Each year the employees elect three of their members to act as a Co-ordinating Committee. The Committee is responsible for co-ordinating the activities of the Bookroom as a whole. Although they have no formal supervisory powers, they watch over the overall operations (cash flow, inventory control, etc.) of the store. The Co-ordinating Committee plays a major guiding role with respect to the general staff meetings. They prepare the agendas, present issues before the meetings, chair the meetings, and keep the minutes. No one may be a member of the Co-ordinating Committee for more than two years consecutively.
- Each full-time employee must serve on one of three management committees. Chairpersons for these committees are elected annually and the rest of the employees self-select themselves to work on one of:

Operations - responsible for day-to-day work such as buying, shipping and receiving, and inventory management.

Business and finance - responsible for cash, bookkeeping and budgets.

Personnel - responsible for scheduling, job rotation, the resolution of inter-personal conflicts, and social activities.

- Hirings are done through an adhoc hiring committee composed of one member of the Co-ordinating Committee, one employee from the area where the opening exists, and a third member from the employees at large. Firings are also handled via adhoc committee. The committees review the situation and make a recommendation to a general staff meeting where the final decision is actually made.
- Within their jobs, people have considerable autonomy and responsibility. Job rotation is practised as much as is possible given the special knowledge requirements of some tasks, such as buying. For example, cashiering is done on a rotation basis.
- The SCM wants to establish the Bookroom as an independent legal entity with its own Board of Directors. With the help of a lawyer, and of Price-Waterhouse, the SCM made a submission to the Federal Government to have the legal structure of the Bookroom changed. The new Board of Directors would have the same composition as the present Bookroom Committee.

DESIGN AND IMPLEMENTATION PROCESS

- For its first 18 years, the Bookroom was managed in a traditional way by one individual. In 1974 there was a falling-out between this man and the SCM and he left to set up his own, competing business. He took 7-8 Bookroom employees with him. At that point, the SCM was left with a Bookroom that it did not really want.
- The SCM decided to let the Bookroom operate as a staff-run, non-hierarchical organization. They hired 7-8 new employees to replace the people who had left with the ex-manager, but they did not hire anyone to fill the position of store manager.
- The management of the Bookroom was taken over by a loosely structured Bookroom Committee composed of SCM people, interested Bookroom employees, and a few community people who had some ties with the SCM. This Committee met informally to discuss how the Bookroom should be organized and managed. On the basis of their discussions, they wrote a proposal for a management structure based on elected committees as opposed to appointed individuals, and presented the proposal to the SCM National Council. The Council accepted the proposal and gave the go-ahead for the establishment of the present system.
- Regular staff meetings were begun in July, 1975. At the start, there was just the Co-ordinating Committee and the general staff meetings. The three management committees were developed one year later.

PROBLEMS - PAST AND PRESENT

- A few long-term employees were a bit anxious and skeptical about changing to a system of self-management, but they accepted the change and now feel positively about the system.

- The employees have some trouble dealing with personnel problems. It is difficult to handle problems with people's work effectiveness because of the close social atmosphere at the Bookroom. This is particularly serious because the Bookroom operates within a highly competitive, and at present shrinking, market situation. Their economic survival often requires that people be "tougher" than they want, or even are able, to be.

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

* PARTICIPANTS' VIEWS

- The employees and the SCM agreed on a structure that was then formalized in a written constitution.
- There is a need for continual training of the employees in the practical, business aspects of running a bookstore.

EFFECTS OF INNOVATION

- The Bookroom has gotten rid of management as a separate entity; there are no managers and no supervisors.
- Employee satisfaction and motivation are very high.
- There are some "business" decisions which are made differently because of the employees' personal values. For example, the employees decided that the Bookroom would not participate in the Wintario "Halfback" program. They do not want to encourage the Lottery which they feel is a regressive means of raising public funds.
- The economic returns of the business are distributed more equally. In line with their more egalitarian values, the employees have set wages to substantially decrease traditional income differentials. Members of the Co-ordinating Committee are paid extra and adjustments are made to base rates for dependents and for seniority.
- Recruitment is very easy. There have always been far more than enough people wanting to work at the Bookroom.
- The quality of service is very high. The Bookroom has a policy of keeping their mark-ups on books as low as possible and, thus, has one of the lowest mark-ups in the business.

SOURCE OF INFORMATION

- Interviews with several employees and with a community member of the Bookroom Committee
- Observation of a regular general staff meeting

SHELL CANADA LIMITED

INNOVATIVE WORK ARRANGEMENT: Semi-autonomous work groups

(The people at Shell prefer the term 'self-regulating work groups')

GENERAL INFORMATION

UNION: Oil, Chemical and Atomic Workers, local 9-848

LOCATION: Sarnia, Ontario

OWNERSHIP: Private sector, major ownership is Dutch and British.
Canadian Head Office: Toronto

PRODUCTS: Chemicals

NUMBER OF EMPLOYEES: Will be about 150. Everyone will be affected by the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

The plant is still in the construction stages and not due to start operations until Spring, 1979. It will be a capital intensive, highly automated, continuous-process operation. The plant will employ about 150 people and will require a highly skilled and educated workforce. The new plant is being built adjacent to Shell's current facilities in Sarnia. Management decided early in the design process to accept the certification of the O.C.A.W. at these existing facilities as applying to the new plant.

REASONS FOR INNOVATING

- The Company has found that today's workers have different needs (i.e., more autonomy and participation) with respect to work than did the workers for whom traditional organizations have been developed.
- Management wanted to apply a "systems approach" in an attempt to obtain an organization that would provide mutual satisfaction of company and individual needs.
- The union's goals are to reduce shift work and to provide more challenge, participation and satisfaction for workers.

DESCRIPTION OF INNOVATION

- The plant will operate under the new system from the beginning.
- In the production area, there will be six multi-skilled teams. The goal is that these teams will be self-regulating with respect to both making and implementing decisions. Workers will be able to schedule shifts themselves, assign their work internally within the teams, and do their own quality control testing. (The laboratory will be built nearby to facilitate this). Teams will be provided immediate feedback on their work from a special computer information system. The number of supervisors will be reduced. They will not be called foremen, but team co-ordinators as their role will be not to direct, but to act as resource people.
- There will be a more equitable system of remuneration. Workers will be encouraged to rotate and learn many of the skills within a team. Training will be provided by co-workers and team co-ordinators. Pay will be based on knowledge and skill; that is, a worker will be paid for what he can do, not for what he does. Each individual will have the opportunity to progress to the top team member's rate based only on his own personal ability and initiative. Ability will be assessed by objective tests prepared by employees and management.
- Status differentials will be minimized. For example, offices will be located within the plant and parking will be on a first come, first serve basis.
- There is a special recruitment and training program to ensure that both the management and workers understand and are committed to the basic principles underlying the program.

DESIGN AND IMPLEMENTATION PROCESS

- The project began with a Head Office decision to explore innovative alternatives for the organization of this plant. The program started with a two-man, management task force set up to develop a more systematic approach for the project. The next step was to create a task force composed of the management people who were going to be directly involved in the new plant. An outside consultant, Lou Davis of the UCLA Quality of Working Life Center, was hired to guide the project and to provide expertise. A statement of intent setting out the objectives of the program was prepared and the union was invited into the process. The actual practices which were to be changed were then documented and a second outside consultant was hired to assist in the selection and training of personnel. Many specifics of the program have been left open to allow the workers to decide things for themselves.

- In September, 1977, the OCAW sent their Ontario Area Coordinator to the UCLA Quality of Working Life Center for an intensive two-week course in organizational design.

PROBLEMS - PAST AND PRESENT (AND FUTURE)

- How to fit the new system to the collective agreement designed for the old plant next door. Management and the union are trying to overcome this problem by working together from the start. (A separate collective agreement was signed in January, 1978.)
- How will the workers in the old plant feel when they see that the workers in the new plant have greater opportunity to reach the top rate?

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

* PARTICIPANTS' VIEWS

- Management introduced the program slowly and with union involvement from the start. It was important that both local and national leadership became involved at an early stage to minimize the chances of any level being "taken by surprise".
- The people involved in the program are being allowed to design much of it themselves.

EFFECTS OF INNOVATION

Although the program cannot be assessed at this date, it is already known that it will, or should:

- Reduce the amount of shift work.
- Bring the union into closer dealing with management on issues beyond the collective agreement.
- Require modification of the collective agreement to make it consistent with the new plant.
- Reduce the number of supervisory jobs.
- Provide more variety of work, and greater opportunity for individual growth and self-regulation.
- Provide greater opportunity for a more equitable distribution of income. Every worker will have the chance to progress to the top rate.

SOURCE OF INFORMATION

Joint union-management presentation before the QWL Advisory Committee, August 24, 1977.

STEELCASE CANADA LIMITED

INNOVATIVE WORK ARRANGEMENT: Flexible hours
Profit-sharing

GENERAL INFORMATION

UNION: Non-union

LOCATION: Toronto, Ontario

OWNERSHIP: Private sector, American. Head Office: Grand Rapids, Michigan

PRODUCTS: Office furniture

NUMBER OF EMPLOYEES: 263; 103 office, 160 factory. Only the office employees are on flexible hours, everyone participates in the profit-sharing.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

Began operations in Canada in 1956. Steelcase is the world's largest manufacturer of office furniture and has recently experienced a high rate of growth. Head Office allows the plant a fair degree of autonomy in its operations. The company has an open door policy with respect to labour relations. There has been only one, unsuccessful attempt to unionize. Office employees are young, skilled, and well-educated. Over 70 per cent of them have more than four years of service. Factory employees are mostly male and relatively low skilled.

REASONS FOR INNOVATING

Failure of an experiment with a four-day week. There were lateness problems and employees complained of fatigue and of disruptions to their family life.

DESCRIPTION OF INNOVATION

Flexible hours

Began in October, 1973. Involves only the 103 office employees. There are no core hours. Employees work within a four-week accounting period of 152 hours. There is mechanical recording of hours and infinite carry-over. Employees are allowed up to two hours for lunch and may work anytime between 7 a.m. and 6 p.m. Employees may work four-day weeks if it does not interfere with the operation of their department. People must arrange their schedules with their supervisors. Flexible hours have led to a small amount of job rotation.

Profit-sharing

Involves all 263 employees. Profit-sharing is based on a percentage of earnings. The percentage is the same for all employees and has averaged about 40 per cent of earnings over the last few years. There is a suggestion scheme but it is non-paying.

DESIGN AND IMPLEMENTATION PROCESS

The flexible hours program was designed and implemented by a management-employee task force chosen by management and chaired by the Administrative Services Manager. The task force decided on the program and sent a letter describing it to all employees before it began. A Flextime consultant provided some help during the initial three months of the program.

PROBLEMS - PAST AND PRESENT

Management says there are no problems.

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

* PARTICIPANTS' VIEWS

The office people are young, well-educated and know how to use their leisure time.

EFFECTS OF INNOVATION

- Increased productivity. There has been tremendous growth in the company, but with no increase in the number of office employees.
- Lateness has been eliminated.
- Absenteeism has declined by 21.7 per cent.
- Supervisor-employee relations have improved because supervisors no longer need to discipline employees over lateness.
- Employees are more satisfied with their work.
- Employees are able to fit their jobs more easily to their family life.

SOURCE OF INFORMATION

Personal interview with the Administrative Services Manager

D. Bruce McLenithan, "The Time Horizon and Beyond", from Financial Post Conferences.

SUPREME ALUMINUM INDUSTRIES LIMITED

INNOVATIVE WORK ARRANGEMENT: Worker participation in management
Profit-sharing
Share-ownership
Compressed work week

GENERAL INFORMATION:

UNION: Non-union

LOCATION: Scarborough and Pickering, Ontario

OWNERSHIP: Private sector, Canadian, 25% owned by Alcan. Head Office: Scarborough, Ontario

PRODUCTS: Cookwear, aluminum ladders, pressure cookers

NUMBER OF EMPLOYEES: 460. Approximately 325 workers and 65 managers are affected by the innovations, a small unionized operation is excluded.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

Supreme was founded in 1920 by Harold Lush and the Lush family owned 66% of the stock until Alcan bought its 25% share in 1960. Worker-management relations have historically been fairly paternalistic, but positive. The company has not lost a day of work through a labour dispute since 1938. There have been a few unsuccessful attempts to unionize the company.

REASONS FOR INNOVATING

- Senior management believes that the workers will be more productive if they share in the profits and ownership of the company.
- Worker dissatisfaction with the old form of worker representation/participation.
- The program goals are to improve productivity and profits, increase employee satisfaction, and maintain reasonable dividends to shareholders.

DESCRIPTION OF INNOVATION

Profit-sharing

Began in 1948, is a part cash, part deferred plan. The company has complete control over whether there will be any profit-sharing and what percentage (usually 30%) will be shared. All management and non-management employees with over two years seniority share equally in the profits. The plan is administered by six Trustees, three appointed by the company and three appointed by the employees. Deferred profit-sharing functions in lieu of a pension plan, there is no pension fund separate from profit-sharing.

Share-ownership

Began in 1972. The company provides five-year, interest-free loans for purchase of company stock (at a "market" value determined by an outside investment firm) to employees with more than three years' seniority. An employee may buy stock up to the value of 50% of his previous year's earnings. About 50% of the employees are shareholders. Employees below senior management level, excluding members of the Lush family, own approximately 20% of the company. Shareholders tend to be male, over 45 years old, have over 10 years service and be in the management or office worker groups.

Compressed work week

Most employees work a four-day, 36-hour week. The change was made from a standard 40 hours in 1972 by a decision of the Governing Body.

Worker participation in management

- Began in 1972. All management and non-management employees, with the exception of the employees of a recently acquired subsidiary (Spun Metal) which is unionized, belong to an employee association called S.A.F.E.R., Supreme Association For Effective Results. The controlling body for the association, call the Governing Body (G.B.), is composed of 18 representatives elected for two-year terms: seven from management, ten from the workers, and one rep who may be either. The G.B. meets approximately 8-10 times/year on Friday mornings. All reps are paid an equal, nominal fee for attending meetings.
- Although some issues have been reserved as management rights, the G.B. may participate in a wide range of issues: all issues generally contained in a standard union-management contract; plus assignment and transfer of employees, operating speeds and methods of production, and the increase and decrease of the work force. The most common issues handled by the G.B. are those relating to job classifications and wages, safety, social events, and immediate working conditions.

- Although the formal powers of the G.B. are unclear, in practise it does have a significant effect on many issues and often decides issues on its own; e.g., vacations, grievances. Within the G.B., management reps exert a dominant influence over many decisions, however, a number of worker reps are also fairly influential; e.g., the 1977 G.B. chairman was a worker. Decisions of the G.B. are made by vote, usually by secret ballot. Decisions on the Constitution and terms of the Agreement require a 2/3 majority, other decisions require only 50%. Minutes of the G.B. meetings are kept by management and posted throughout the company.
- Divisional meetings are held between every plant and office manager and his workers, approximately once a month. The meetings are primarily for communications purposes. Area production and working conditions are the most common topics, although the general sales and profit picture of the company, and G.B. decisions (past and future) are also discussed.

DESIGN AND IMPLEMENTATION PROCESS

- By 1972, many workers were quite dissatisfied with the lack of power they had through their form of representation, a Plant Council composed of worker representatives only. Members of the Council went to management for help in designing a better form of representation.
- Management suggested an internal worker-management council and let all employees decide, by vote, whether they preferred a union of their choice or such a council. They voted over 80% in favour of the latter.
- Although workers were involved somewhat in the design of the council, it was designed and begun primarily by the Chairman of the Company, Sheldon Lush. The Agreement was modelled after various union contracts modified to suit the Supreme situation.
- The Governing Body has developed and evolved itself considerably since its inception.

PROBLEMS - PAST AND PRESENT

- Some managers and supervisors have had difficulty in changing from an authoritarian to a more participatory management style.
- Some workers were, and still are, quite skeptical about management motives. They feel management will dominate G.B. meetings and even ignore S.A.F.E.R. if they so choose. This problem is due partly to the fact that S.A.F.E.R. has not formally been given any clear decision-making authority. Because of this skepticism, some workers will not run for the G.B. and some worker reps are hesitant to speak out at meetings.

- There are communications problems between the G.B. and the rest of the company. Many managers and workers feel they do not have enough input into G.B. decisions and do not hear enough about what the G.B. is doing. In an attempt to improve this situation, the 1978 G.B. plans to have a special committee to deal with communications.
- Almost all information is collected, interpreted and presented by management; and most worker reps have no experience in handling management level information. They also have little experience with the semi-formal debate format common in G.B. meetings. Thus, a number of worker reps sometimes feel confused and inadequate in meetings and in the past there has been no education program offered to assist them. Management and the G.B. have been working, in 1977 and 1978, to implement a basic orientation and training program for the S.A.F.E.R. representatives.

EFFECTS OF INNOVATIONS

- High levels of employee satisfaction, 72% feel Supreme is a better place than most to work and are quite committed to Supreme.
- Very high levels of satisfaction with the four-day week. Many employees report that the compressed week has had positive effects on their family and leisure life.
- Shareholders identify more with Supreme than do non-shareholders.
- Most employees feel workers and managers are working together toward the same goals.
- The general management style throughout the company has become more participatory. There have been some very striking changes away from an autocratic style in several key managers.
- Workers now believe it is their right to participate in decisions which affect them and they are more forceful about demanding such rights.
- The G.B. has made changes to ensure that workers will be treated more fairly, especially with respect to pay and promotions. The worker reps handle many employee problems.
- There is greater consensus on decisions.
- Several worker and management reps on the G.B. have been quite concerned with health and safety and pushed for regulations and enforcement of regulations to create a safer working environment. The company safety record has improved significantly.

SOURCE OF INFORMATION:

The information comes from various newspaper and magazine articles and from a case study based on a two-year intensive study of the Supreme program.

Sheldon Lush: "A new class of capitalist - how one company develops them", The Business Quarterly, Spring 1976.

"Profit-sharing and industrial democracy - the Supreme Aluminum experiment", Labour Gazette, June 1977.

Jacquie Mansell: "Workers' participation: a case study", unpublished manuscript, Fall 1976.

"A critique of industrial democracy at Supreme Aluminum", Labour Gazette, July 1977.

UNION CARBIDE CANADA LIMITED

INNOVATIVE WORK ARRANGEMENT: Semi-autonomous work groups

GENERAL INFORMATION

UNION: Non-union

LOCATION: Moore Township (Sarnia), Ontario

OWNERSHIP: Private sector; it is 75% owned by Union Carbide Corporation, which is American.

PRODUCTS: High and low density polyethylene for plastics

NUMBER OF EMPLOYEES: Will be about 300, mostly male. Everyone will be affected by the innovation.

THE INNOVATION

ORGANIZATIONAL BACKGROUND

Preparations for a new plant began in 1975 and it was in full operation by early 1978. The plant is a highly automated, continuous-process operation. The workforce is mid to highly skilled and there is an open door labour relations policy. Management maintains wages at a level comparable to those at unionized plants in the area. The company attempts to hire only employees with attitudes compatible with the program. Union Carbide is a fairly decentralized organization, particularly in the Plastics Division.

REASONS FOR INNOVATING

- To have an effective, union-free plant with a skilled and flexible workforce, high morale and low absenteeism.
- To have the total organizational environment (work and social environment, culture, organization design, and management concepts and practises) supportive of organizational goals.

DESCRIPTION OF INNOVATION

- Workers are organized into groups within an operating unit of the plant. Each worker currently has an individual job, but the program

is based on the multi-skill principle. Workers rotate jobs within the unit, so that eventually everyone will be able to perform all the jobs in the unit. There is a formal training program conducted by supervisors and co-workers and people are paid according to what they know, not what they actually do. Workers can receive the top rate if they master all the jobs in one unit. They can also switch and train across units.

- Each unit has a supervisor who acts in a consultative as opposed to a directive role. Units have some autonomy; for example, they arrange their own vacations and employees can spot for each other to allow for occasional absences. Unit members are involved in hiring and scheduling. There will also be occasional Adhoc task forces which, according to the principles of the program, should include workers. There is currently no systematic or formalized way for workers to have input into the operation and design of the overall program.
- All workers are salaried and there is a policy of corrective as opposed to punitive discipline.

DESIGN AND IMPLEMENTATION PROCESS

- Senior, specialist management designed the plant and the technology. They believed that a participative management style would work to achieve their organizational goals more effectively than other modes. Once the basic management concepts had been decided upon, training and team-building programs were implemented with managers and first-line supervisors. This was followed by the selection and training of the operators.
- An American consultant, Scott Myers, provided outside advice.

PROBLEMS - PAST AND PRESENT

- High expectations of workers have led to some disillusionment.
- Management is somewhat concerned that there may be some let-down in incentive once all the workers have achieved the top rate.
- Some workers feel that pay is not "fair" because all salaries are not equal (due to differences in shift and day work requirements).
- Management has not always been available, thus there has not been an "open-door" to the extent desired.
- There are some dull jobs that cannot easily be put in teams in order to enrich them. At present these jobs have been contracted out.
- The lack of industrial experience of the workforce (this is a grass roots plant) has meant that management has had to use a more directive approach until the workers develop the technical skills and knowledge needed to handle problems on their own.

- Some people do not yet really understand the concepts of participative management and the extent to which it can be practised at the current state of development.
- Some managers, supervisors and workers have problems operating in a consultative, supportive mode, as opposed to one of direct control.

FACTORS CONTRIBUTING TO SUCCESS OR FAILURE

* PARTICIPANTS' VIEWS

- Communications must be kept open. There must be a greater understanding of varying points of views, and the needs behind and reasons for decisions must be explained.
- Management must follow through with all of its promises. Actions must be consistent with stated principles.
- There is a need for a visible model of a team which is based on participative management principles and is functioning effectively.

EFFECTS OF INNOVATION

It is too early for much assessment of effects, but the initial experience indicates:

- Most employees report being more satisfied than with their previous jobs.
- Overall organizational efficiency has increased.
- Supervisor-employee relations tend to be more supportive, trusting and open.

SOURCE OF INFORMATION

Interview with the Product Group Employee Relations Manager

APPENDIX I

GOALS OF THE GROUP AT COX 1978

Individual	To be healthy ourselves and help others be healthy.
Members of the Group at Cox	To work well together and support each other in our search for meaning and satisfaction, living and learning at work.
Shareholders and Profit Sharing Members	To earn a fair return on investment for our shareholders and ourselves while keeping both shareholders and members fully informed respecting achievement of our goals.
Dental Health Clients	To ensure that the services and products which we design, produce, and market are consistent with the best long term interests of clients engaging dental health services.
Dental Team Members	To help members of dental health practices work well together while becoming more effective in helping the people whom they serve.
Dental Health Dealers	To share knowledge and skills generously with dental health dealers, especially those who relate to the practice of "people" dentistry, and to render prompt, effective service to all Cox dealers.
Dental Health Industry	To compete ethically within our industry and strive creatively to strengthen our industry's role in the maintenance and development of the private dental health system.
Our Suppliers	To treat our suppliers ethically with a mutual respect for quality and service aimed at establishing continuing relationships.
Our Environment	To carry out our business with a strong commitment to social and ecological responsibility.

January 2, 1978

THE 1978 GROUP AT COX HELPING ROLES AND COMMUNITY, TEAM, AND EXTENDED TEAM MATRIX

THE HEALTH COMMUNICATIONS
AND HEALTH SERVICES GROUP

THE HEALTH PRODUCTS AND
PRODUCT SERVICES GROUP

EXTENDED TEAM 4					
COMMUNICATIONS TEAM 4			PRODUCTION TEAM 1		
Mariette	Hans	Jan	Shirley	Barbara	Charlie
	Wilson				Doreen
					Alan
					Bugs
EXTENDED TEAM 3					
COMMUNICATIONS TEAM 3			PRODUCTION TEAM 2		
Jane	Dan	Grant	Jens	Sigi	Johann
	Duke				Terry
					Garcia
					Joan
					Erna
					Alex
EXTENDED TEAM 2					
COMMUNICATIONS TEAM 2			PRODUCTION TEAM 3		
Janet	Jock	Lillas	Al	Ivan 1	Petar
	Wag			Ivan 2	
					Frank
EXTENDED TEAM 1					
COMMUNICATIONS TEAM 1			PRODUCTION TEAM 4		
Nancy	Bill	Jack	Liz	Willum	Georges
	Carl				Tony
					Zvonko
					Ig
					Mike
					Samih
COMMUNITY INFORMATION FACILITY SYSTEMS CLEAN AND FINAL SUB SUB PARTS PRODUCTS					
CATION CLIN- DESIGNERS CO-ORDIN- PACK ASSEMBLY ASSEMBLY ASSEMBLY FINISHING PARTS					
CO-ORDIN- ICANS COMMUNITY ATORS COMMUNITY COMMUNITY COMMUNITY COMMUNITY COMMUNITY					
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APPENDIX III

DEFINITIONS OF INNOVATIVE WORK ARRANGEMENTS

CHANGES IN JOB CONTENT

Job Rotation

Individuals move between jobs which are basically separate and distinct. The different jobs usually are at similar skill levels and often involve similar operations. Usually the rotation schedule is directed by management, but it can be decided autonomously by the workers. A typical method used in job enlargement schemes.

Job Enlargement

A form of "top-down" change; i.e., the extent and nature of the change is usually decided primarily, or solely, by management. A number of different tasks are added to an individual job to make the job more internally varied. However, the different tasks usually involve the same degree of skill and do not require any greater amount of autonomy and responsibility.

Orthodox Job Enrichment

Also a form of "top-down" change. The union/workers do not participate significantly in the original design of the job, but the worker does participate in the on-going management of the job once it has been designed. A number of different kinds and levels of tasks (planning, regulation and control activities) are added to the individual job to make it a more complete whole and, thereby, to increase not only the variety involved in the job, but also the autonomy and responsibility, the achievement and recognition, and the opportunity for growth and achievement.

Participative Job Enrichment

Similar to orthodox job enrichment with the major exception being that the union/workers are actively involved in the initial design of the jobs, as well as in the on-going management of the job.

Autonomous or Semi-autonomous Work Groups

This change developed out of the socio-technical systems approach which puts greater emphasis on the total work environment, in particular on the relation between the technical and

social aspects of work. Autonomous work groups are effectively leaderless teams of employees who work together on an integrated set of tasks and who have considerable autonomous decision-making powers in relation to this more whole unit of work.

*NB

"Job design" or "job redesign" is sometimes used as an umbrella term to include most, or all of the job content oriented changes listed above. However, the term most commonly refers to the more extensive forms of change in job content, in particular, to participative job enrichment and to autonomous work groups.

CHANGES IN THE DISTRIBUTION OF DECISION-MAKING POWERS

Labour-Management Committees

In both organized and unorganized settings, this form involves regular meetings between representatives of labour and management. The meetings can be for the sole purpose of information exchange or they may also be a means of increasing union and/or worker participation in a range of decisions.

Worker Participation in Management

A situation where traditional forms of management still exist, but where the union/workers are involved in some effective way in at least some decisions which in a standard (non-union, or union-management) situation are sole management prerogatives. The degree and extent of participation can vary greatly.

Self-Management

A situation where traditional forms of management are replaced by union/workers' control. Whether or not the workers own the company, they have deciding control over the major decisions of the organization; i.e., they effectively manage it themselves.

CHANGES IN WORK SCHEDULING

Staggered Hours

A spreading out or "staggering" of the starting and finishing times so that not everyone arrives or departs at the same time. Each individual maintains a fairly regular schedule which is either self-chosen or is set by management.

Compressed Work Week

Involves any re-arrangement that both increases the number of hours per day and decreases the number of days which are worked by an individual in a given cycle. The same schedule is worked by everyone.

Flexible Hours

Workers can come and go at their own convenience, within specified limits, as long as they work a prescribed number of hours within a given adjustment period. Each individual sets his own schedule which may vary from day to day.

Variable Hours

Each individual is allowed to choose the form of schedule he wishes to work; e.g., a compressed week, flexible hours, regular hours, etc.

Job-sharing

A form of change which opens up a greater number and variety of jobs to permanent part-time employment, having the same rates of pay and benefits as standard full-time employment. Two, or more, individuals share responsibility for what was formerly one full-time job. The scheduling and division of tasks can be decided by the individuals themselves or by management.

CHANGES IN THE FORM OF REMUNERATION

Profit-sharing

All workers receive some annual share from the company's profits which is separate from their regular wage. There are many different forms of profit-sharing; e.g., across-the-board equal sharing, sharing tied directly to individual or group productivity, etc.

Group Bonus Plans

Workers receive a bonus, above their regular pay, which is not tied to profits, but to some measure of their overall group performance.

CHANGES IN THE FORM OF OWNERSHIP

Share-ownership

The union/workers are given the opportunity to buy shares in the company, but they always hold less than a controlling share in

the organization. Although worker share-ownership is often achieved through some form of profit-sharing plan, it is important to recognize that they are two different forms of change.

Worker Ownership

Either on an individual basis, or as a collective (e.g., union), the workers own a controlling share in the company. In such cases the workers may manage the company themselves or hire a traditional set of managers to do so on their behalf.

